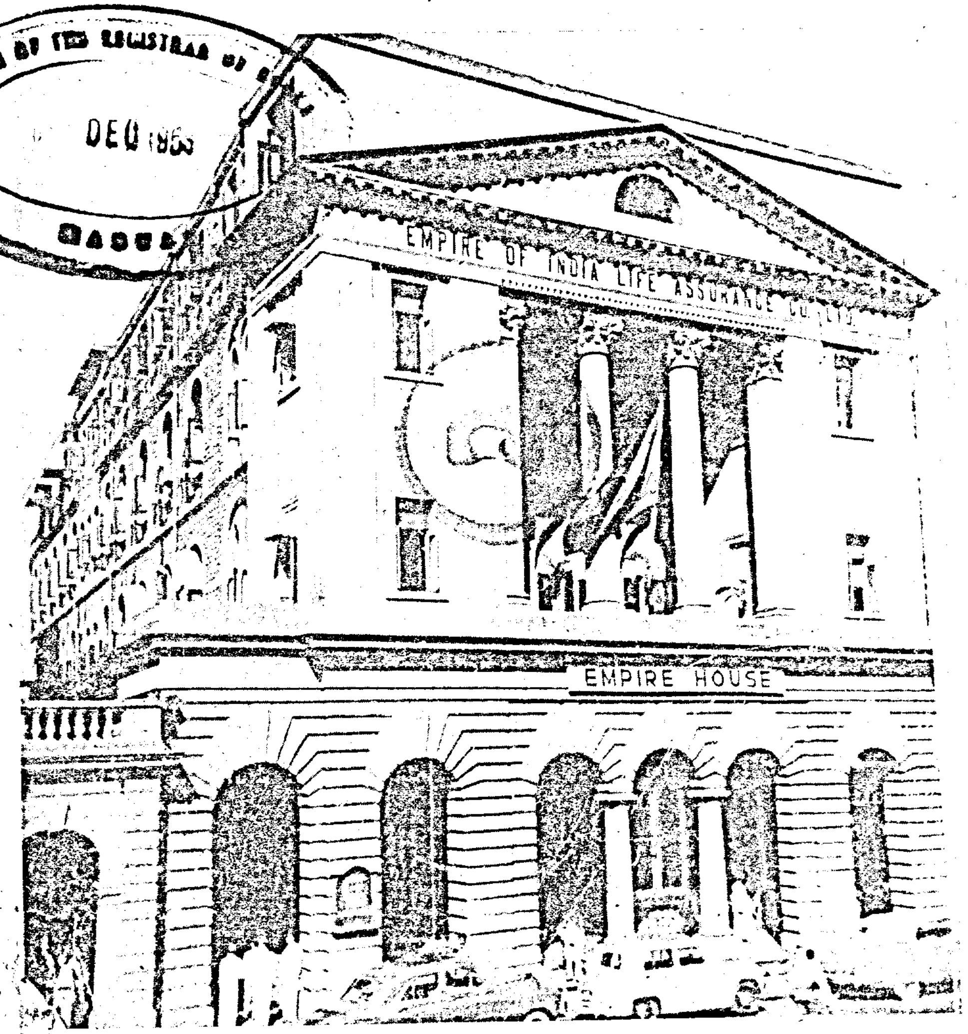
Empindia

HOUSE MAGAZINE OF THE

EMPIRE OF INDIA LIFE ASSURANCE COMPANY, LTD.



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Empindia

(QUARTERLY HOUSE MAGAZINE OF THE EMPIRE OF INDIA LIFE ASSURANCE CO., LTD.)

Published at: EMPIRE OF INDIA LIFE OFFICE, COIMBATORE
Editor: A. I. IPE, B. A.
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Vol. 2 ★ April — September 1953 ★ Nos. 1 & 2

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Dewan Bahadur R. Varadachari
Administrator
Empire of India
Life Assurance Co. Ltd.

Empire House
Hornby Road.
Bombay.

6th November 1952.

TO

ALL POLICYHOLDERS OF THE COMPANY.

Dear Sir/Madam,

As you know, it is nearly 16 months since the Government of India directed me to take charge of the management of the Company in the interests of the Policyholders. In the discharge of my duties, I have always had your interests prominently before me and I have now great pleasure in declaring bonus to participating policyholders at the rate of

Rs. 10 per thousand per annum on Whole Life Assurances
and
Rs. 8 per thousand per annum on Endowment Assurances.

A synopsis of the Actuary's Report is printed overleaf, from which you will see that he has calculated the profits of the Quinquennium to be Rs. 76,54,366 and that this has been done on a stringent basis and after increasing the reserves during the intervaluation period to nearly Rs.120 lakhs to meet all possible eventualities. My investigations have shown that in spite of the recent unfortunate events, this Company is inherently strong financially, with great possibilities of future development on sound lines. If and when the time to withdraw the Administrator comes, you may be sure that the Government of India will take all possible steps to ensure that the Company is not exposed to the same risks as have taken place in the past.

May I, therefore, appeal to all of you to treat the Company as your own and to do everything you can to further the interests of your own investment in it and recommend it to your friends and relations as a safe, sound and economical concern? Applications from policyholders to work as the Company's Agents on the usual commission basis would be most welcome.

Yours faithfully,
R. Varadachari
ADMINISTRATOR.

GSS.

Empindia

Vol. 2 ★ April — September 1953 ★ Nos. 1 & 2

EDITORIAL NOTES

Ourselves :

Our numerous Subscribers, Workers, Policyholders and Well-wishers of the "Empire" spread all over the Country would be glad to learn of the emergence of the "Empindia" into the Second Year of its existence. Started under auspicious circumstances, getting the blessing and patronage of Dewan Bahadur R. Varadachari, the Administrator of the Company, the "Empindia" had an unchequered growth so far, thanks to the whole-hearted co-operation of the Officers and Staff at the Head Office and Branches. The Field Workers of the Company too have co-operated whole-heartedly, by enrolling as Subscribers of the Magazine, by contributing articles and above all, by popularising it among the Policyholders. During the course of the Editor's tours, very often one of the first questions which the Agents, not only in big towns but even in out-of-the-way mofussil stations too, ask him is about the "Empindia". It is encouraging to find them acknowledging enthusiastically the help and guidance they receive from this house-magazine of theirs in their field-work.

It is the desire of the present management of the Company to see and help the formation of healthy "family Unions" of the "Empire's" Policy-holders and Workers. The Branch and touring officials of the Company would be only too pleased to organize and serve the cause of the development of such family-ties among the "Empire's" numerous workers and policyholders. The starting of "Empire Life Clubs", to begin with in all towns where the Organising Officials of the Company have their headquarters, would help to serve this cause. Recently the Editor attended two pleasant functions, one in Mysore State and the other in Travancore-Cochin, at which the "Empire's" Policyholders, Medical Examiners and Workers of the respective localities were present. On coming thus into close personal contact with the Company's constituents in such far-away places one gets an idea of the fund of Goodwill which our Policyholders have for the Company. This Goodwill is "Empire's" real strength and in the face of such Goodwill any malicious propaganda made by interested parties is sure to melt away like dew before the morning Sun. We are aware of the burning desire of the Administrator that his Officials and Workers should vie with one another in rendering better, and still better, services to the Policyholders. He wants the "Empire" people to earn a name in this regard, and this will help them to earn more money too, for satisfied Policyholders are our best advertisement. Hence it is that he is encouraging the wholesome growth of media like the "Empindia" and the "Empire Life Club", as the ultimate aim of both of these is to serve more and more the cause of the Policyholders.

We shall be glad to publish in the columns of the "Empindia" news about the formation and activity of organisations of the "Empire's" constituents and workers all over the Country. Such newsy notes as well as letters giving constructive suggestions for the improvement of the future issues of the Magazine may be sent to the Editor for publication, to the Coimbatore Branch address.

The Administrator's Report for the Year 1952:

The attention of our readers is invited to the Administrator's Report, reprinted in this issue, for the year ended 31st December 1952, i. e., the 55th year of the working of the "Empire". The improvement of the financial position of the Company, the fall in the "Surrenders" of policies during the year, the remarkable increase in the market value of the "Empire's" Shares, etc., all give a clear indication of the confidence of the general public in the prudent and successful management of the Company's affairs by the Administrator, Dewan Bahadur R. Varadachari. Numerous Policyholders of the "Empire" have conveyed, and are still conveying through the Editor their gratefulness to the Administrator not only for safeguarding their hard-earned savings but also for having declared Bonus at a very much enhanced rate than in the immediate past in spite of the fact that the Company had passed through a crisis during the last Valuation period. The reader will understand from the Report that the Administrator is ruthlessly cutting down all avoidable expenses. The workers of the "Empire" should carefully study and grasp the contents of the Report and capitalise their knowledge together with the favourable reaction generated in the minds of the insuring public by the prudent management of the Company's affairs by the Administrator to procure more and more New Business and thereby contribute to the continued development of the Company.

New Business Trends:

In the last issue of the "Empindia" we had occasion to comment on the appreciable increase in the Company's New Business output this year when compared with the corresponding period of last year. As the year advanced we are glad to learn that the percentage of increase in business too has improved. The present trends therefore indicate that the Company will be able to register by the year-end a record increase in its New Business as compared with the output last year. It is success that helps to bring about greater success. The "Empire's" workers, no doubt, have done on the whole comparatively better so far this year. With single-pointed attention devoted to their work during the remaining few weeks before the close of books, it is hoped that for the majority of the Agents this will be a year of record output.

The "Empire" has been noted for the quality of its business right from its inception. This stamp of quality must continue to be there on all its policies, new as well as old. The "Empire's" workers and Organising Officials have the great responsibility therefore to help to maintain the quality of the Company's policies and even improve upon it. It is fervently hoped that they will resist the temptation to increase the volume of their business sacrificing quality. Remember that the adoption of the path where the least resistance is encountered will neither be in the Company's interests nor in their own individual interests. Real selling tactics are far different from "high-pressure" methods. A conscientious worker always looks to his proponent's best interests and not to his own selfish gain. Self-less service is always more paying in the long run. We therefore trust that the "Empire's" present workers will keep up the healty tradition built up by their predecessors in the field whose efforts helped to get for the Company a name and fame much above those of most other Companies working in the field now.

This Issue:

Besides the Administrator's Report, the present issue contains a few

interesting and instructive articles which we trust will merit the careful study of our readers.

The Second Year's Subscription:

We remind our readers about the subscription for the Second year and request that it may be sent by each and every old subscriber as well as by the new who will be enrolled by the Branches and Organising Officials, to the respective Branch Offices. In this the Second year of the "Empindia's" life of devoted service to the cause of the Company's workers and Policyholders we hope that more and more of them will enroll themselves as subscribers.

A canvasser faced a house wife. "Good morning, madam," he said, "Here is a polish for cleaning silver; best on the market."

"Don't want any!", snapped the woman with sales resistance.

"Sorry to have troubled you, madam, but I thought the lady next door was mistaken!"

"What did she say?"

"She said I need not waste my time calling here, as you had no silver to clean."

"The impudent hussy! Give me half a dozen boxes."

REPRINT OF THE ADMINISTRATOR'S REPORT FOR 1952

The Revenue Account and the Balance Sheet of the Company with the Auditors' Report printed in the succeeding pages relate to the year ended 31st December 1952, i. e., the 55th year of the working of the Company. During the whole of the year 1952, the management of the affairs of the Company continued to be under Administrator appointed by the Government of India under Section 52A of the Insurance Act, 1938. The proceedings in the Magistrate's Court in respect of charges filed by the Police against certain former Directors and Officers of the Company are going on.

2. It is satisfactory to note that the confidence of the general public in the improvement of the financial position of the Company consequent on its management by an Administrator under Government's auspices (this was the first venture of this kind, so to say) has been growing from day-to-day. When I took over the Company on the 11th July 1951, the market quotation for its shares was in the neighbourhood of Rs. 400/- per share, but the price improved from time to time and the latest quotation is Rs 627/8/- per share. Another pointer in this direction is the fall in the number and the amount of "surrenders" by the policyholders of the Company during the year.

3. The statutory Valuation of the Company's assets and liabilities as at 31st December 1951 was finished on 23rd September 1952 and this showed that the Company was intrinsically sound and financially strong. After setting apart reserves amounting to Rs. 119 lakhs to meet all contingencies, (which sum very few companies in India would be able to find in a time of stress) the Valuation showed a profit of Rs. 76,54,366/- and this was allocated as follows:—

(a) Among Shareholders	Rs.	4,02,093
(b) Interim Bonus on policies which emerged as claims during the Quinquennium	Rs.	2,58,345
(c) Among policyholders to provide bonus to policies on the participating scale at the rates of: (i) Rs. 10 per thousand per annum on Whole Life Assurances. (ii) Rs. 8 per thousand per annum on Endowment Assurances.	Rs.	49,59,147
(d) Provision for the payment of income-tax.	Rs.	20,34,781
	Rs.	76,54,366

With the present addition of Rs. 4,02,093 to the Shareholder's Fund, the total of the Fund amounted to Rs. 7,64,392 and I accordingly declared (after obtaining a direction from the Controller of Insurance) a dividend of Rs. 20/- per share for the year 1951.

4. INVESTMENTS: Life Assurance is a specialised kind of saving; it is not the mere accumulation of money but something more. Field workers usually appeal to prospects by stressing the most compelling motive for any person to go in for Life Assurance, i. e., the desire to discharge his responsibility to his dependents and to make provision for his old age. For the middle-class

man there is no better method of saving than by Life Insurance policies, because they combine an element of saving plus a cover in the case of early death. The taking of an insurance policy often amounts to the postponement of avoidable expenditure; this not only benefits the policyholder and his family, but it is a matter of national importance at the present day. If the Five Year Plan of the Government of India for increasing the wealth and the prosperity of the country is to be a success, as we all hope, it is most essential that the flow of savings through life insurance should be increased so that a good portion of it could be canalised into investments on national Development Loans As the average value of a policy in this Company is only about Rs. 2200/-, it is a justifiable inference to say that it is the middle-class which provides much of the premium; and this class, which has been very badly hit by the prevailing economic conditions, has every right to expect that the companies which receive their hard earned savings must render a true and faithful account of their moneys. As the policyholders are spread over the whole of India and even outside, it is not a practical proposition to expect them to take any effective steps to control the companies' affairs. It is, therefore, the paramount duty of the management to see that the balance of the premiums received, after meeting all claims and expenses, are invested in absolutely safe investments, always keeping in view the interests of the policyholders. Thus, my most important duty has been the continuous scrutiny, in consultation with our legal advisers, of the investments made in the past in the shape of loans to private parties, debentures of companies, mortgages, etc., and to take steps to call back the loans or to secure them by appropriate action. I have been able to recover nearly Rs. 40 lakhs from various parties and have invested the entire sum in Government Securities. In regard to debentures of companies incorporated in India—Rs. 1,08,45,000—they represent the investments in four companies made by the previous management, out of which two blocks amounting to Rs 60 lakhs are redeemable in July 1957 and the rest partly in 1959 and partly in 1960. Mr. M. J. Rao, the Deputy Administrator, has been nominated, at my instance, as a trustee on behalf of the debenture-holders in one company and Mr. R. B. Pardhan, the Manager, in the other. In addition, Mr. V. H. Deshpande, F. C. A, partner of Messrs. Batliboi & Purohit, has been nominated, at my request, as the Auditor on behalf of the debenture-holders for these two companies. Steps have also been taken to bring down the total of the debentures within the statutory limit prescribed in Section 27A of the Insurance Act, 1938. From the 11th July 1951 onwards up-to-date, the investments made by me out of the current receipts (including opening balances), after meeting all expenses, in securities of the Government of India and of the various States amount to about Rupees One Crore and Forty Lakhs so that the total investments in Government Securities made within the last two years amount to over Rupees One Crore and Eighty Lakhs. I have deliberately concentrated only on Government Securities of the appropriate type in the interests of the policyholders with a view to having, as far as possible, a better spread of the investments than in the past As these investments have been made only in dated loans, temporary variations in their values can be regarded with some degree of equanimity.

5. PROGRESS OF BUSINESS IN THE YEAR 1952:—

NEW BUSINESS: During the year 13,199 proposals were received for assurances amounting to Rs. 3,86,23,790. Of these and others awaiting completion at 31st December 1951, 10,058 proposals resulted in policies for Rs. 2,81,45,900 representing an annual income of Rs. 15,27,096 and Rs. 33,008 by single payments. The New Business completed during the year was less than that of the previous year by 6·84% but this fall gives no cause for alarm. As a matter of fact the New Business in the first six months of 1953 has already shown a decided improvement over the figures for the corresponding period of last year. Attention is now being focussed on getting good quality business because the investigations about the New Business of the last few years show that a good deal of it has gone off the books. The percentage of lapses to the total business in force at the beginning of the year was 5·50 as against 6·03 in 1951 and 9·68 in 1950. Every company's report deplores the terrible percentage of lapses prevailing in India but nothing seems to happen about it and the phenomenon seems to recur year after year in respect of every company! This seems to indicate that there is something inherently wrong in the methods of business. It is to be hoped that the new Code of Conduct prescribed recently will improve the tone of the field organisation and that there will not be the unseemly scramble for companies to snatch away agents and Inspectors who are reported to have done well in some other company, whether that report was well-founded or not.

EXPENSE RATIO: The overall expense ratio in the year was 26·93% as against 27·43% in 1951 and 30·31% in 1950. Every effort is being made to reduce the expense ratio and as a matter of fact the expenses on the pay and allowances of Officers in the Head Office have been cut down ruthlessly as will be seen from the following statement:—

Monthly Average of Pay and Allowances of the Officers in the Head Office

1950	...	Rs. 22,803
1951	...	Rs. 13,469
1952	...	Rs. 10,717
1953	...	Rs. 9,853

BUSINESS IN FORCE: The total number of Policies in force as at 31st December 1952 is 1,36,928 assuring a sum of Rs. 29,60,56,165 inclusive of bonus, of which Rs. 28,70,158 (inclusive of bonus) is reassured. The total number of Annuity policies in force is 46 with an annual payment of Rs. 63,239.

CLAIMS: The Claims for the year, inclusive of Bonus additions, amounted to Rs. 58,96,062 as againt Rs. 61,49,263 in 1951. This reduction was almost entirely due to the fall in the claims by death which amounted to Rs. 15,83,485 as against Rs. 18,31,830 in 1951. The mortality experience of the Company continues to be very satisfactory.

INCOME AND OUTGO: The income for the year amounted to Rs. 1,50,33,393 (after deduction of tax at source) of which Rs. 1,17,10,606 was derived from premiums. The Outgo amounted to Rs. 94,61,906. The excess of Income over Outgo is Rs. 55,71,487.

RATE OF INTEREST: The rate of interest earned during the year (after deducting income-tax at source but including the refunds obtained) was 3·56%. In the previous year the rate was 3·22% but no refund of income-tax was given in that year. This result should be considered quite satisfactory when it is remembered that nearly Rs. 92 lakhs of the Investments shown in the Balance Sheet, i. e., the loans to twelve parties at Delhi and the sum due by the Discount Bank of India Ltd., Bombay, in liquidation, have not earned any interest at all.

6. Lastly, I wish once again to convey my thanks to all the Officers, the staff and the field force for the good work done during the year. The relations between the management and the staff were satisfactory. The reference to the Industrial Tribunal at Calcutta preferred by the Staff Union of that place was disposed of in April 1953 and I have implemented the decisions of the Tribunal.

R. VARADACHARI,
Administrator.

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EXTRACT FROM ASSETS AS AT 30—9—1953

			Face Value	Book Value
1.	Indian Govt. Securities	... Rs.	4,70,12,500	Rs. 4,60,10,455—5—6
2.	State Govt. Securities	... ,,	1,85,58,100	,, 1,69,65,529—5—0
3.	Indian Municipal Port and Improvement Trust Securities	... ,,	1,49,08,500	,, 1,44,88,503—0—0
4.	Indian Municipal and Port Trust Sterling Securities	... £.	1,05,200	,, 13,84,575—9—0
5.	British Govt. Securities	... £.	89,500	,, 10,60,560—0—0
6.	Foreign Municipal and Port Trust Sterling Securities	... £.	21,900	,, 2,92,000—0—0
7.	Burma Govt. Securities	... Rs.	6,00,000	,, 6,00,000—0—0
8.	Debentures of Companies incorporated in India	... ,,	1,06,45,000	,, 98,70,984—2—0
9.	Land and House Property	... ,,	8,45,575	,, 8,45,575—0—0
10.	Deposits at Call with Banks	... ,,	6,00,000	,, 6,00,000—0—0
				Rs. 9,21,18,182—5—6

"Saving during youth prevents slaving in old age".

THE PROBLEM OF ORGANISATION

MR. J. SAHAY, Branch Secretary, Patna

The fundamental task for an Insurance Company is to develop its organisation. Unfortunately although the Insurance organisation claims to be the custodian of Public Funds this particular task has not been in the past, in most cases, conducted in the best interest of the policyholders. Barring a few, most of the Companies pursued a most unscientific and irrational method of writing maximum new business irrespective of quality and irrespective of the question of cost the Companies had to bear for such business and this resulted in the closing and amalgamation of some Companies and financial set-back for a few others.

Reason of Failure:

Most of the Companies run after immediate gain and not unnaturally become ultimately losers. There is a proverb that a bird in the hand is worth two in the bush. Better have a few, old, honest, sincere and tried workers with a limited qualitative business than many salaried organisers with large-scale business returns which will not remain in the books for even six months from the date of their completion. The tendency is, however, to purchase workers at fancy prices and the result is that these salaried organisers in their bid to maintain their contracts adopt all questionable methods.

The difficulty is, however, to convince all concerned about the high value of honesty of purpose. The general notion is that such ethical values as honesty and integrity of purpose have no place in the business-world. I for one profoundly believe in the value of honesty not only as a high ethical virtue but also for the price it pays to a man of business in the long run. A man who is not honest in his dealings with others cannot be expected to be honest himself.

My insistance is, therefore, on honesty of purpose. The initial work is to begin with a few selected agents under the supervision of a few well-chosen salaried supervising heads, as organisers or Inspectors. The field of work will expand, no matter how slowly, but with a steady flow of moderate but qualitative business. The general practice is, however, contrary to the above. Usually Insurance Companies are loud about the large figures of their new business.

My experience says that honest labour must bear fruit If Inspectors are properly taught and guided and if they prove to be honest workers, their success may be taken as a foregone conclusion. The chance for success of an Inspector entails a certain responsibility upon the Branch Secretary or Area Manager under whom he works. They must not only keep the Inspectors under constant supervision but also guide them in their work and teach them the proper methods of influencing the insuring public. Another defect common to many workers is their lack of knowledge in Insurance affairs although they are in the profession and this puts them often in ridiculous positions before their clients who might have a better knowledge of Insurance affairs. One who takes up Insurance work as his means of livelihood should start his work with a first-hand knowledge not only in organisational work but also about its theoretical aspects. This point is almost ignored and preference in recruitment goes only to those who somehow or other can procure business.

Government Supervision:

Government supervision is a welcome step although it has been decried by many. The measures taken by the Government by fixing up maximum cost for procurement of business will certainly help to revive the tone of business which was terribly jeopardised due to the craze for business and more business. If the Government seriously undertake to implement the measures—and they seem to be serious—then much of the existing vices will be undone.

Method of Success:

Insurance Companies must be very rigid in selection of business. As they are to see the quality along with the quantity and in some cases the former at the cost of the latter, the question of selection of workers automatically arises. Only a select few can introduce select business. Work depends upon the workers. A good architect alone can build a fine mansion. It is a common knowledge that workers recruited at randon only on the promise they give at the time of recruitment cannot give qualitative business. In most cases such business and the methods of procuring such business have a deleterious effect on the organisation. An Inspector in my opinion should be recruited with great discrimination as this alone will ensure a stable organisation.

Expense Ratio:

The main headache of Insurers is how to reduce the mounting expenditure. Effort in this direction should not only be made because the Government of India have fixed maximum limits of expenses for Insurance Companies but the Companies have also a certain obligation to safeguard the interests of their policyholders. It is to be ensured that the Policyholders' interest is well-protected so that they may earn a major portion of the profit in the form of Bonus. Although we have heard so much about reduction of expense ratio, nothing effective has been done by the Companies of their own accord in this direction.

So far as the "Empire" however is concerned, our Administrator, Dewan Bahadur R Varadachari has shown to the Indian Insurance Companies how expense ratios can be reduced to a rational limit. The old, top-heavy, administrative expenses of the "Empire" have been reduced considerably by the Dewan Bahadur. An all-out effort has been made for reduction of expenses in every sphere within a very short time of his association with the Company. Quality of business has been given priority over quantity and we know it is quality that alone pays in the long run. We of the "Empire" should, therefore, gird up our loins and start our work with utmost zeal to translate into action the great and noble ideas of our illustrious leader, the Dewan Bahadur.

> "Joy in one's work is the consummate tool without which the work will always be done slowly, clumsily and done without its finest perfectness." — *Phillips Brooks.*

THE AGENT'S ROLE IN CONSERVATION

MR. M. G. DAVE, Superintendent, General, Loan, etc. Departments

It may be rightly said that the Insurance Act, 1938, brought a new era in this country, particularly by the provisions it made to safeguard the interests of the holders of life insurance policies and their beneficiaries. Partly as a result of the provisions of the Insurance Act and partly due to business competition we find that the modern Policy contract is a most liberal one, but the very liberality of its conditions may be abused at times by the unthinking and improvident leading to the loss of valuable insurance cover. It is the duty of the agent to see that such an eventuality does not arise. He should keep in touch with his clients or be always available to give them advice, without which continuation of the policies is apt to be jeopardised to the detriment of the assured and his family's future security and well-being. A proper discharge of this duty redounds to the advantage of the agent as well. The agent should appreciate that he is amply rewarded by the Company for the services he is expected to render to the policyholders. A large circle of satisfied policyholders not only ensures a steady renewal commission but it is also a fruitful source of substantial new business. It is not difficult to realise that if policyholders are neglected, the agent's interests suffer in every respect.

Interest Without Capital:

The agent's remuneration for service to policyholders takes the form of commission. He is thus actually getting interest on the capital invested by others. There is no need to wait till the end of a certain period to get the "interest" but it becomes due for payment simultaneously with the investment. This is the peculiarity of this profession wherein continuous service is converted into guaranteed cash yield without one having to invest his own capital.

Discourage Loans:

Loans are often taken on policies for trivial reasons or to cover temporary needs. It is the duty of the insurance agents who are Insurance Advisers or counsellors to fight the tendency of many to borrow on the security of their policies, unless this is done as a last resort. Remember that a life assurance policy is, in the final analysis, "Money for Future Delivery". Its purpose will be defeated if the policy is turned into a source of "Money for any and every contingency". It is the agent's privilage to constantly remind his clients about the wisdom of not depleting, through loans, the treasury he has created for meeting a future need.

Hard Times Call for Strong Counterforce:

The times are hard. More policyholders who had heretobefore been regular in payment of premiums, are nowadays finding the need to apply for loans. This is the time when every agent should be in constant touch with his clients. The numerous body of policyholders who have found it necessary to take loans on policies would require the attention of the agent to ensure that the premiums and interest on the loan are paid in time and thus to save the policies from lapsing. It should not be forgotten that the circumstances which necessitated a policy loan will continue to be felt, and the increased expense involved in maintaining the policy in force may create a strong temptation to default. Further, policyholders in their younger ages, unaccustomed to the vicissitudes of life and without a full appreciation of the value of life insurance, will particularly have a strong tendency to cancel life insurance on the slightest provocation. Thus many policies are

daily exposed to lapsation and can be rescued only through the energetic services of the agent.

The Company as well as the agent have a definite responsibility towards those who rely on life insurance to provide the financial bulwark against insecurity and the loss of income resulting from the death of the breadwinner of the family. As stated before, the forces working against the punctual payment of premiums today are very strong due to the prevailing conditions and so the strength of our counterforces must be increased correspondingly. The agent must do his utmost to impress on his policyholders that life insurance should be the last property to be sacrificed in times of distress.

Psychological Time for Conservation:

It is my experience that the psychological time when a policyholder is susceptible to easy persuasion is *before* expiry of the period of grace for payment of premiums. After the crisis has passed and the premium is definitely in default, he has had his mind made up and may prove to be a more stubborn case. Therefore, timely and prompt action on the part of the agent is highly important. This conservation effort must be built up into an almost automatic process, a good habit. The agent must keep an up-to-date record of the premiums falling due each month and make personal calls regularly to see to the premiums being paid in time. The important point is to give individual treatment to each collection based upon the agent's personal knowledge of the insured's circumstances, needs, temperaments, etc. The formal premium notices mailed by the Company are so impersonal as to be of insignificant effect as compared with a call by the agent.

Conservation Builds Prestige:

The insurance agent who has the reputation in his territory of servicing and looking after the interest of his policyholders will benefit not only by safeguarding his renewal commission but also by the additional new business that will come from these well-serviced policyholders and their friends. Proper service alone builds a growing and well-satisfied clientele, the bed-rock of prestige so essential to the long-term success of a Life Insurance Salesman.

"It's easy enough to be pleasant
When life flows along like a song,
But the man worth while
Is the man who can smile,
When everything goes dead wrong."

PERSEVERANCE PAYS

Mr. V. M. ROPLEKAR, Ag. Branch Secretary, Hyderabad Dn.

Insurance business of late is becoming more difficult to procure day by day and even tried and resourceful workers become nervous at times. Nevertheless no one can deny that the reward for hard and planned work is always guaranteed to some extent. To show the truthfulness of this statement I narrate below a typical incident which took place in my field work.

On the 21st of January 1953 I had booked a case in the first interview through an agent of mine for a sum of Rs. 10,000/-, with a promise from the youngman to pay up the first quarterly premium on receipt of his salary in the next month. For full six months the agent concerned and myself made repeated calls on the party but every time both of us returned with empty hands. Meanwhile the party was transferred to an outlying district, but I still persisted and urged the agent to take a little trouble to see the party at his district headquarters. The agent would not however make this effort primarily because of a lack of perseverance and faith. Consequently, the case had remained incomplete for nearly seven months. I was much disappointed because of the agent's lack of persistence in his work.

The prospect seemed to be almost lost when one day I accidentally saw the party while driving through the city in my car. I waved my hand to greet him, but he did not seem to be in a mood to reciprocate. As is my wont, I did not take this incident to heart.

A couple of months after this incident I thought of contacting the party again as he was very likely to be in the city during the festival holidays. A call at his residence revealed that he had arrived in the city but was not at home just at the moment. I decided not to lose this opportunity to have a forthright talk with him and waited at his residence till his return. The party actually took two hours to return and you can imagine the amount of patience I had to call up to restrain myself from giving up this call as hopeless. No sooner he came we wished each other and after exchange of formal courtesies the party asked me "What made you come to-day"?

"To collect your first premium," I promptly replied.

"The transaction is 10 months old now and what premium do you except me to pay?", enquired the party.

"I have now actually come to collect the premium for 10 months", I coolly replied.

"But, where is the money to pay the premium"? Thus the conversation went on. In the flow of his conversation the party said "I can pay you one quarterly premium for the reduced sum assured of Rs. 5,000/- and this too I can pay only in the next month."

I could not forget that at the time of completing the proposal papers ten months earlier the party had made a definite promise to pay the full first premium in the "next month". I would not be put off again so easily. It was clear that I had to use a different approach to unlock the gate of his mind. So changing the line of conversation, I asked him his date of birth, which he said was 28th August 1930. Lo! Here was the master key to the sale. It was not too late to give the party the benefit of younger age by dating back the Policy. I told him "Dost, you are now aged 23 years but if you pay the quarterly premium here and now I will get you the benefit of younger age, which means lesser premium." The words "lesser premium" apparently had a magical effect on the party's mind. Without bothering about any details he blurted out: "How much would that be?" Once this question was raised, it was only a matter of half an hour before I secured his fresh proposal for Rs. 5,000/-. But before arranging for the medical examination and collecting the advance, I decided to make an attempt to get the sum assured increased as I knew that the party could well afford more assurance. I had waited for the completion of the case for full ten months. I wanted a reward for my patience and I asked him for the same.

"What further reward do you want?" he asked.

"Mr. .... I dare not ask you for the completion of the full assurance of Rs. 10,000/- as first proposed, but you can at least provide for an additional amount of Rs. 2,500/- to your growing family", I said gently.

After discussion for sometime I was successful in bringing him round for a total assurance of Rs. 7,500/- with full half-yearly premium thereunder paid on the spot.

The above true story proves how patience and perseverance pay their dividends in the long run. I would like to impress upon the readers that the majority of the cases when handled in a tactful manner as the situation demands must necessarily materialise with very few exceptions here and there. Apart from this, of course, a systematic and planned work also pay in their own way.

Let me summarise the points which the above true story brought out:

1. I knew that the party needed insurance and could afford it. I therefore did not lose hope and faith and persisted in my efforts till I was successful.
2. The Agent however did not possess this hope and perseverance and but for my efforts the case would have been secured by some body else, or the party would have remained without insurance protection. That was a weakness.
3. I did not take offence, as people generally do, at not getting a return greeting from the party when I waved my hand to him from my car. The party may not have seen me, and even though he may have actually avoided me, I had a much higher conception of my duties as a Life

Insurance Salesman to allow such an attitude to deflect me from the path of duty. My business is to spread the benefits of Life Insurance protection and I will surmount all difficulties that may stand in my way.

4. I did not beat about the bush when I came face to face with the party, but showed that I was serious about my business. By this approach I could get an equally serious-minded response from him.

5. Every one wants to buy at low cost. An appeal to take advantage of the lower rate of premiums by insuring before the age changes for purposes of insurance, has been found to be a reliable selling technique, yielding a high percentage of successes. But for my question about the date of birth in this case, the chances of success would have been slender.

6. I did not argue with the party for increasing the assurance at the outset, but secured his proposal for an *agreed* amount first, and then made him realise that he can and must go in for more.

7. Lastly, I arranged for the medical examination and collected the full first premium on the spot.

This is not the end. The Agent felt inspired by this success. He has promised to work with greater persistence. He has also promised to see this party again and again till he forms the habit of paying his premiums as and when they fall due.

> "What I can do, I ought to do.
> What I ought to do, I can do.
> What I can and ought to do,
> By the grace of God I will do."

TEN TRIED IDEAS TO PUSH UP YOUR BUSINESS

MR. S. M. GUNAVANTE, Agency Superintendent, Bombay

1. Remember: You have a commodity which is valuable to every one without it, a man's plans for financial security have no reality. Be enthusiastic about the invaluable benefits of Life Insurance, confident in your ability to carry conviction to others and forthright in your approach.

2. Prepare a fresh list of all the names you have known and qualify them as prospects (gather information about their income, responsibilities, previous insurances, etc.)

3. Don't be afraid to include in this list the names of those who are still strangers to you. If you plan your approach well, you will be able to get favourable introductions to them, but in case you can't get introductions, don't shy away from introducing yourself.

4. Depending upon the composition of your "Prospects List", set up a definite target of business to be completed in the remaining months of the year, and divide it into weekly quotas. Working to a schedule invests your intentions with seriousness, and puts drive and force into your activities.

5. From your plan for weekly business, come down to the plane of *work* required to get that business. Draw up a plan of *daily work*—time to be spent in the field, number of prospects to be seen, etc.—so that every one of the qualified prospects in your list may be worked up for business.

6. Don't approach casually. Let the approach be serious and business-like. If you are serious about your business, the prospect too will treat you and your commodity with seriousness. Sell him on the NEED for insurance, not merely an "Insurance Policy".

7. Make it a point, before leaving, to ask every prospect you meet for a reference or introduction to his associate, relation or friend. Ask him for it, whether your meeting with him has resulted in business or not. Add the new name to your list of prospects and see that person as early as possible. If you succeed in getting business, don't forget to report back to the gentleman who gave the introduction.

8. If you can't get immediate business and you are satisfied that he can't afford, be a good loser. You can approach him again when his circumstances improve. "High pressure" business loses friends and loses business also—it never stays long on the Company's books. On the contrary, low pressure gives you prestige. The way to build business is not to squeeze the few men you know, but to enlarge your clientele and draw business from it.

9. Here's a fine idea to meet objections to life insurance. Learn the talk so well that it comes naturally:

"Mr. Prospect, you say you have other plans to ensure the security of your family. You want to put your money in the Banks; or you want to buy a house; or your current expenses don't allow you any savings margin to invest in life insurance.

"But to see your decision in its proper light, let me suggest that you do this: Please take a sheet of paper. Now put to-day's date at the top. As a heading, put "REASONS FOR NOT TAKING A LIFE INSURANCE POLICY TODAY". List as many reasons as you have for not buying insurance today. Please write them down. (Repeat the reasons given by the prospect). Have you done with it?......Now keep this paper with your valuable papers and documents for safety.

"Before you do so, I will say only a few words. Suppose Mr............ that something should happen to you in a year, or two or three? None can guarantee life. Suppose that after it was all over, your wife (use her name if you know it) come across that piece of paper—"REASONS FOR NOT TAKING A LIFE INSURANCE POLICY TODAY"-among your other documents-what do you think her feelings would be about the soundness of your judgement?"

Stop there. Don't talk till he thinks it over and replies. If the Prospect really needs insurance and can afford it, this is a well-tested and reliable 'closing idea'.

10. Remember to report to the Editor, Empindia about the cases where the above idea is used with success. Report also about the success of similar ideas you may have used, for being printed in the "Empindia". If most of our agents contribute even a single idea each, every agent will get a hundred ideas by giving only one idea of his.

"Let me tell you one secret of such so-called successes as there have been in my life. It was to burn my boats and demolish the bridges behind me. Then there is no Choice but Forward.

— *Fridtjof Nansen.*

MARCH ON, "EMPIRE" WORKERS!

MR. P. C. CHERIAN, Joint Secretary, Kottayam

The men who work for life insurance companies form an army larger than that maintained by many a State in time of peace. They come to the firing line in hundreds. As the new recruits come to action, the battle grows warm.

"Time is our capital" is the chorus of their marching song. We have 24 hours each day at our disposal. No man ever had more. The only difference is that all who have accomplished great results, put their time to the best possible use; they planned their work carefully and carried out their plans promptly and efficiently. We have plenty of time to accomplish anything, if we make up our mind. Men who are willing to take risks, who dare to try new things and who are ever seeking ways and means to make their air castles materialize into actual results, are the men who become great. The most that is expected of any man is that he shall do his level best. Then you will draw your load up the hill of success with great ease. It is no shame to fail. The attitude you take to your mistakes will largely determine your future.

Insurance soliciting is a high calling; it appeals to the noblest impulses of man's nature; it is the plea for the weak and helpless; it is an offer of help at the time of greatest need.

Our success depends on ourselves. Nobody is going to take us on by hand and drag us on. Rely on ourselves. Go forward and carry out ambitions, then there is no fear, but we will win applause by a successful demonstration of our ideas.

Only two classes of soldiers fail in insurance march: (1) the coward who is afraid to approach people and (2) the lazy man.

The rotten timbers demonstrate their weakness in proportion to the weight to which they are subjected. Flaws in the past are sure to be disclosed in future. Sterling honesty is the best possible training; it is an exercise for the will; it strengthens the determination and forces the brain to devise new methods of solving hard problems in our forward march.

A courageous and honest soldier of the "Empire" under the Captainship of Dewan Bahadur R. Varadachari, working without rest, can fix his flag on the top of the world's highest point in the Himalayan Mountains.

"Cheer you soldiers," mark, "Time is our Capital" and hence fall in line with Empire's mountain climbers and fix the flag of victory with Tensing on the top of Everest in 1953.

ROLE OF INSURANCE IN NATIONAL RECONSTRUCTION

MR. J. C. JETLEY, M. A., Assistant Branch Secretary, Lucknow

Welfare State:

The ideal of our constitution is the establishment of a Welfare State. A sovereign power styling itself as a Welfare State immensely widens the scope of its activities. The idea that the State is meant merely to maintain law and order, in that case, becomes archaic. Besides fulfilling the basic human needs of food, clothing and shelter, it also devolves upon the Welfare State to provide its constituents against sickness and incapacitation, old age and superannuation unemployment and destitution. With this end in view, the economy of the country has been planned for the current five years The Five Year Plan aims at increased production of cloth, food and improved social services like health, education and housing. Owing to the acute shortage of food, agricultural development of the country has been given the top-most priority in the Plan. Of equal importance is the country's industrial development.

Capital Formation and Inflation:

Having postulated as above, let us now analyse the importance of Insurance in our nation-building schemes.

Rupees put into insurance have been called "double duty" rupees. First, Life Insurance rupees are anti-inflationary. These rupees are invested in thrift rather than spent for commodities in a time of shrunken production. Second, each insured family escapes sudden poverty on the premature death of the earning-head. Thus apart from arresting the rising prices, insurance also ameliorates the economic condition of the individual families. Each insured family—the unit comprising a nation—marches progressively forward from poverty to prosperity and then ultimately perhaps on to plenty.

Insurance and Investment:

For the implementation of the various schemes envisaged in the Five Years Plan, an investment of over 2,000 crores has been programmed for. Despite heavy taxation and public borrowing, it is to be doubted if the required funds can be raised from the private sector. The Five Years Plan is, therefore, not averse to the idea of "mixed-economy". A great scope exists for the Credit institutions, which can mobilize the country's savings towards this end. In formulating their investment policy the Insurance Companies have to see that highest returns consistent with safety and easy convertibility, to meet unforeseen liabilities, are assured. In the case of all progressive life offices, having growing funds, the eventuality of having to suddenly liquidate its invested funds can almost be ruled out. Yet, Section 27 of the Act severely narrows the scope of spreading the investments of the Insurance Companies over a wide area. Almost 50% of their Life and General Funds are required to be invested in the giltedged. In Great Britain, the Life Offices are allowed complete liberty to invest their funds. Conditions prevailing in India possibly precludes the Government from allowing this liberty. Yet we suggest that the investment of a certain percentage of their funds in enterprises of national importance, should be made a statutory obligation for the Life Offices. If profitable, the Life Offices would be encouraged to invest further in the industrial development of the country.

Insurance in the Service of the Individual:

Briefly, we have stated above how the capital formation in the Insurance industry helps in the industrial growth of the country. Let us now consider as

to how Insurance fulfils the individual, social and economic needs of the nation. The particular needs of the individual are met variously by the multifarious schemes offered by the Insurance Companies. Endowment assurances form more than eighty percent of the business written in India. It provides old age relief as well as monetary relief in the event of inexpected early death. Whole Life policies should acquire greater prominence when Estate Duty is levied. Clause 33 (1) (f) enjoins that for the purpose of paying the Estate Duty one or more policies effected for the estimated amount, will be exempt from Estate Duty to the extent of the amount of duty payable. Even in U. K, where there is almost a full-fledged social Insurance Scheme in operation, whole life business is gaining ground. As the country's wealth is equated the importance of risk cover shall gain greater popularity. Annuity business, which provides for old age after superannuation, seems to have been neglected so far. It is now time that its sale should be pushed.

The incidence of industrial risk is covered by general insurance. At present the foreign companies are writing a major share of the country's general business. It is for the Indian Companies now to popularize themselves in this field also and check the drainage of Indian Capital in the purchase of "invisible imports" from the foreign countries.

Social Insurance Schemes:

Let us now pass on to a consideration of schemes meant for social security. When the State Insurance Corporation was inaugurated, it was a start in the direction of providing sickness, medical widows' and dependents' benefits to the factory workers in a few selected areas. Initially tried at Kanpur and Delhi, the scheme expanded to seven industrial towns in the Punjab during its short life of 1½ years. By 1954 it is expected to cover all the industrial centres having a concentration of 5,000 workers or more. This is a definite forward step in the establishment of a Welfare State. It is, however, difficult to expect any substantial materialization of the Social Insurance for sometime to come because of the huge organizational, financial and accomodation problems, as also the priorities given to the country's other problems.

Agricultural and Unemployment Insurance:

Here again the insurers would find a field to enlarge the scope of their activities and embrace the important social insurance schemes. India is a country of few urban industrial concentrations and a vast rurality of undeveloped agricultural tracts. In the urban areas they should patronize house construction schemes while in the rural areas they should take upon themselves the reclamation of land and development of agriculture. To combat the social and economic evils of unemployment and famines or scarcity, we have to develop agricultural and unemployment Insurance Schemes. Of course, our task would be colossal as we would be faced with initial actuarial, operative and organizational difficulties. But then the task is such as has got to be accomplished.

Crop Insurance:

Agricultural insurance should include insurance of cattle, periodic crops, and agricultural implements, constituting the wealth of our teeming rural millions. Failure of a crop spells misery to the affected peasant family. If on a larger scale, it may assume the proportions of famine and consequent economic crisis. Through crop insurance, therefore we would be providing benefit of social security to our peasant folk. At the same time, we would be mobilising their surplus purchasing power.

Unemployment Insurance:

The problem of unemployment has existed in India for many years.

Thanks to the controls and business boom, it was somewhat eased during the war. Now the business boom is again on the reverse gear and the problem would be accentuated. We may be able to keep intact the jobs of people already employed. But we hardly have the resources to create two and a half million jobs every year. Politically the unemployed constitute the most explosive material to blow up any state structure. It is for the Government to seek an early solution to this problem and harness the country's resources for mobilizing and helping the genuine jobless. But it is imperative that a compulsory unemployment insurance scheme should be immediately set up. Of course, the statistical task involved in this would be gigantic. We could, however, suggest that this scheme should be inter-related with other social insurance schemes, both the employers and the employees making their contributions.

Time and space available have not permitted any exhaustive discussion. But from the above we can form some idea about the importance of Insurance in our present day task of socio-economic reconstruction. We in insurance have been used to put up with the indignities resulting from the ignorance of the masses. But we have to educate the public and give to insurance its well-merited place of pride in our general scheme of things. Insurance is an individual, social and economic necessity and we should be proud to have the good fortune of belonging to a profession through which we are helping to raise the standard of living of our country-men.

"BOSS" Vs. "LEADER"

The boss *drives* his men —
the leader *Coaches* them.
The boss depends on *authority* —
the leader on *goodwill*.
The boss inspires *fear* —
the leader inspires *enthusiasm*.
The boss says, "*I*" —
the leader says, "*We*".
The boss says, "*go*" —
the leader says, "*Let us go*".

WHITHER INSURANCE!

Mr. KESHAV SARAN, B. A., Inspector, Moradabad

Enough, though, has been already said on the subject, I feel the conditions have so deteriorated and the problem grown so vast in some of its aspects of not uncommon occurrence that it still merits attention and I, therefore, record them hereunder.

I make bold to say that in the world of today there are black sheep in all trades and professions and if there be such in Insurance too, it is nothing peculiar. But that, however, should be no excuse for continuing to allow mal-practices in our own profession. The insurable public exploits them to its own escape from insurance which proves detrimental to those also who are straightforward and conscientious and to the industry as a whole. In fact the honest people in the profession have to pay the price for the misdeeds of others. It should be our duty and endeavour, therefore, to do all in our power to eradicate the evils, so far as possible, from the profession as a whole and completely from amongst the ranks of the "Empire" force.

From the very stage of selecting the clients, it must be our sincere and solemn endeavour to pick and choose only those who are of sound and unimpaired health and whose personal and family history are free from any hereditary or devastating disease or such as is likely to shorten their lives. The prospect must only be presented before the medical examiner after having assured ourselves on these grounds. Any gain in any shape, however big the case may be, or allurement of writing large amount of business, should not vitiate our judgment and sully our character which are more precious and lasting than either of them. Cases have come to light, and some only lately, of persons suffering from diseases like T. B., or otherwise uninsurable, having insured for some ulterior gain. This is a very detestable form of evil which the agent sometimes deliberately plunges into, overlooking the legal consequences he lands himself and the medical examiner in, nothing to say of the anxiety caused to the insured's family and the money lost as premium. It is playing fraud on the company and any gain on such account tantamounts to illegal gratification and both are punishable under law. The medical examiner is equally responsible for recommending such a life. He is in duty-bound, both ethically and professionally to refuse irrevocably to pass such lives.

Then comes the too-commonly prevalent and knotty problem of rebating on which sufficent has been said and written ere this. I shall, therefore, confine myself to only a few, amongst others, of its aspects. Instances of agents offering rebate, *on their own initiative*, either as an inducement to the prospect or in competition with other insurers have not been uncommon. This shows utter moral degradation and loss of self confidence. Of course more often than not, the prospect himself asks for, rather insists on, a rebate. Once allowed, the cycle never ends; other prospects get to know and demand it quoting previous instances. The agent must be so competent as to write the business without having to stoop to that level or else be bold enough to resist the temptation of such business and the Organizing Official must help him acquire and develop that competence and build up such strength of character. Once an agent establishes his reputation in his circle of activity and makes his mark for his square dealings with and his service to his clients, the path thenceforth becomes easier for him. People appreciate his straightforwardness and service and extend their support to him in his business. Besides, the commissions of an agent indulging in the practice will not be commensurate with his efforts and gradually he may grow to be dis-satisfied with his petty net earnings. Correlated with it is also the important question of after-sale service to the policy-holder in the matter of admission of age, nomination etc. If an agent has allowed any rebate on the case, he is not pleased to do any such service with the result that the assured gets dis-satisfied not only with the agent but with insurance as a whole and preaches his experience: Thus both the agent and the industry in general suffer in the long run.

Sadly enough the position is still worse in the case of Special Agents who are, unfortunately, in a better position, by virtue of their earning a total higher rate of commission to practice rebating. An ordinary agent often finds himself out-stripped by a special agent in this matter and then grudges his own position for having lost business, ultimately desiring to take up a special agency himself. I am constrained to observe that my experience of the working of a special agency, has been none too good and happy; this system, apart from its other shortcomings, helps keep up the evil of rebating and in my opinion the sooner it is abolished, the better.

Quite often the premiums are collected by the agent himself and the unscrupulous ones appropriate the same to themselves. Notwithstanding the strict instructions by the companies not to collect the premiums except the first one and to deposit it to the company's account immediately thereafter, this is not strictly observed by many. Any violation of this instruction is highly objectionable and such persons deserve all our contempt and condemnation. They are the persons very largely responsible for the disrepute and unfavourable attitude in which insurance is held by some people even now.

Lastly comes the matter of the payment of claim. In the case of a death claim, it becomes our bounden duty, whichever the company and whosoever the agent, to help the hapless widow. in the matter of the completion of forms and any other thing connected thereto. It is the best possible service that we can render, without any cost to us, to the grieved family. Apart from it, all the talk of our doing social service through insurance will be meaningless if we do not or cannot do just this much. Above all, the highest religion is the service to humanity at large for, "to serve man is to serve God." Nevertheless some unscrupulous persons stoop to catch the opportunity to serve their own selfish ends. Under the pretext of something being incomplete in the policy and the false threat of the company's refusal to pay the claim, they induce the claimants to accept part payment of the sum assured, against full discharge, and pocket the balance themselves illegally. The unfortunate, and quite often illiterate widow, already heavily saddened with the shock of her life

and unused to the clever ways of the world, is unable to understand the ruse and, afraid of losing even the part, meekly and helplessly submits to the base proposal from the despicable man who so manoeuvres the situation that he ultimately gains his end. Such practice is most abominable; it should not even be thought of not to speak of conniving at it or practising it. Such persons wherever they are found should be treated as social out casts. It is here that the company can be most helpful in eradicating the evil by corresponding direct with the claimant or preferably directing one of its trusted officials to help the claimant in the settlement of the claim.

The other so-called noble professions may make money out of other people's difficulties but insurance is the profession the main object of which is the alleviation of the distress of human society. I, therefore, appeal to all my colleagues and co-workers to raise the integrity of our profession to its real position. No vice must be condoned and no person practising it given any quarter. Remember ill-gotten money is always ill-spent and such men never succeed in life.

ESTATE DUTY BILL

The long expected and much discussed Estate Duty Bill has recently been passed by the Parliament and has come into force from 15—10—1953.

The Estate Duty is a tax the incidence of which is dependent on the happening of a certain event in the life of a person viz., Death. Similarly, Life Insurance is a means for affording protection against the loss arising from an identical major event in life, viz. death. There could, therefore, be no two aspects of life, in modern times, which are more complementary to each other than Life Insurance and Estate Duty. If this fundamental truth is grasped by the Company's agents, it will not be difficult for them to realise the new avenues opened up for them for writing increased business for their own benefit as also for the benefit of the policyholders.

Some of the more important provisions of the Act as they affect Life Insurance are given below :—

1. There is a general exemption from Estate Duty in respect of Life Insurance Policies for sums not exceeding Rs. 5,000.

2. It has been provided that exemption will be granted in respect of Insurance policies taken out for the specific purpose of paying Estate Duty or assigned to the Government for the said purpose to the extent of the amount of duty payable but not exceeding Rupees fifty thousand.

3. Moneys earmarked under policies of insurance or declarations of trust or settlements effected or made by a deceased parent or natural guardian for the marriage of any of his female relatives dependent upon him for the necessaries of life to the extent of Rupees five thousand in respect of the marriage of each such relatives.

4. The Estate Duty will be levied at the following rates :

(a) In the case of property which consists of an interest in the joint family property of a Hindu family governed by the Mitakshara, Marumakattayam or Aliyasantana law, the rates will be :

(i)	On the first Rs. 50,000 of the principal value of the estate	... Nil
(ii)	On the next Rs. 50,000	... 5 per cent
(iii)	On the next Rs. 50,000	... $7\frac{1}{2}$ per cent
(iv)	On the next Rs. 50,000	... 10 per cent
(v)	On the next Rs. 1 lakh	... $12\frac{1}{2}$ per cent
(vi)	On the next Rs. 2 lakhs	... 15 per cent
(vii)	On the next Rs. 5 lakhs	... 20 per cent
(viii)	On the next Rs. 10 lakhs	... 25 per cent
(ix)	On the next Rs. 10 lakhs	... 30 per cent
(x)	On the next Rs. 20 lakhs	... 35 per cent
(xi)	On the balance of the principal value of the estate	... 40 per cent

(b) In the case of property of any other kind, the rates will be :

(i)	On the first Rs. 1 lakh of the principal value of the estate	... Nil
(ii)	On the next Rs. 50,000	... $7\frac{1}{2}$ per cent
(iii)	On the next Rs. 50,000	... 10 per cent
(iv)	On the next Rs. 1 lakh	... $12\frac{1}{2}$ per cent
(v)	On the next Rs. 2 lakhs	... 15 per cent
(vi)	On the next Rs. 5 lakhs	... 20 per cent
(vii)	On the next Rs. 10 lakhs	... 25 per cent
(viii)	On the next Rs. 10 lakhs	... 30 per cent
(ix)	On the next Rs. 20 lakhs	... 35 per cent
(x)	On the balance of the principal value of the estate	... 40 per cent

(c) In the case of shares held by a deceased member in any such company as is referred to in sub-section (1) of Section 84, the rates will be :

(i)	If the principal value of the shares does not exceed Rs. 5,000	... Nil
(ii)	If the principal value of the shares exceeds Rs. 5,000/-	... $7\frac{1}{2}$ per cent

It is hoped that our Company's Organising Officials and Agents will make use of the above information to book substantial business.

(Contributed.)

LETTERS OF APPRECIATION

12, Thasil Srinivasapuram,
Tirupur,
3rd October, 1953.

THE EMPIRE OF INDIA LIFE ASSURANCE Co., LTD.,
Coimbatore.

Dear Sir,

Policy No. 256323: K. Chidambaram (Deceased).

I thank you for your letter dated 24—9—1953 enclosing a cheque for Rs. 10,080—7—0 (Rupees ten thousand eighty and annas seven only) and two receipts of the overdue premium and interest thereon.

I have presented the cheque to my local banker for encashment and on receipt of the money I will write to you again.

In the meanwhile I request you to accept my heartfelt thanks for the very prompt and easy manner in which your Company has dealt with my claim and enabled me to receive the cheque within a very short time. Especially in a complicated case like mine, your promptness is all the more commendable and I cannot find adequate words of beauty and strength to express my appreciation of the same.

Yours faithfully,
(Sd.) C. SUBBULAKSHMI AMMAL,
W/o Late K. Chidambaram Mudaliar.

* * *

No. 3 Naiwala Street,
Karol Bagh, New Delhi 5,
9th September, 1953.

The Branch Secretary,
EMPIRE OF INDIA LIFE ASSURANCE Co., LTD.,
New Delhi.

Dear Sir,

Policy No. 337672: Shri Chetan Das Ahuja (Decd).

I acknowledge with thanks the receipt of the cheque for Rs. 10,000/- in respect of the claim under the abovementioned policy of my husband who died within eight months of taking of the policy from your Company.

I appreciate the promptness in which the Company has settled the claim and also thank your Branch for the help extended to the widow in completion of the papers and other relative documents.

Thanking you once again.

Your faithfully,
(Sd.) SHANTI DEVI,
W/o Late Shree Chetan Dass Ahuja.

* * *

28, Badridas Temple Street,
Calcutta 4,
23rd August, 1953.

THE EMPIRE OF INDIA LIFE ASSURANCE Co., LTD.,
Bombay.

Thro' The Calcutta Office.

Dear Sirs,

Mtd. Pol. No. 90259.

Thankfully do I acknowledge the receipt of your registered letter dated 18th August 1953 along with a cheque for Rs. 1,686/-.

I have also received the loan bonds duly cancelled and a receipt for Rs. 3,010/- paid by me.

It will now be my earnest endeavour to continue my cordial relationship with you by introducing my friends and relations to your Company as I had been doing heretofore.

I am really grateful to you for the favour of conversion of the policy from Life to Endowment.

Your Sri N. C. Ghosh helped me a great deal in all matters relating to my dealings with you and I take this opportunity to thank him also.

Yours in faith and sincerity,
(Sd.) NALINI K. DAS GUPTA.

* * *

Northern Railway,
Ferozepore Cantt.
10th August, 1953.

THE EMPIRE OF INDIA LIFE ASSURANCE Co., LTD.,
Empire Building,
Hornby Road, Bombay.

Dear Sirs,

I have to acknowledge the receipt of your letter dated 7th instant, enclosing Draft No. 943842, dated 3rd instant, for Rs. 2,508—6—0 (Rupees two thousand, five hundred and eight, annas six only) in settlement of Policy No. 63307—Own Life—for which I thank you. I am really extremely obliged to you for the prompt way in which you have settled my claim.

Yours faithfully,
(Sd.) K. K. MALKANI,
Asst. Mechanical Engineer.

* * *

3, Mahamaham North,
Kumbakonam,
Tanjore Dist.
14th September, 1953.

The Manager,
EMPIRE OF INDIA LIFE ASSURANCE Co., LTD.,
Bombay.

Dear Sir,

Pol. Nos. 163266/187853: K. K. Sundaram (Decd.)

Myself and my mother were in receipt of your cheque for a sum of Rs. 1,590/- along with the letter. We thank you very much for the prompt disposal of claim case and I assure that your Company is one of the best and trustworthy Companies. The timely help rendered by you for my depressed family is truly a memorable one.

I thank you once again for the prompt and early action.

I myself would like to insure myself and I will let you know in detail soon.

Thanking you,

Yours truly,

(Sd.) K. KRISHNASWAMY, B. A.

* * *

Chandak House,
Raipur,
25th July, 1953.

The Branch Secretary,
EMPIRE OF INDIA LIFE ASSURANCE Co., LTD.,
Nagpur.

Dear Sir,

Re: Pol. No. 327698: B. H. Chandak (Decd.)

I hereby appreciate the prompt disposal of Rs. 10,000/- by the Empire of India Life Assurance Co., Ltd. The insured was my brother Shri Bulakidas Hardas Chandak who died suddenly of Heart attack. He was also insured with several other Companies, but the quick and the prompt action taken by your Co., in paying the insured amount is very highly appreciable.

I strongly recommend the insuring public to extend their patronage to Insurance Company like "EMPIRE".

Yours faithfully,

(Sd.) J. H. CHANDAK.

* * *

"Ananda Bhavan"
Kadri Road, Mangalore 3,
(S. Kanara District)
14th July, 1953.

The Manager,
EMPIRE OF INDIA LIFE ASSURANCE Co., LTD.,
Bombay 1.

Sir,

Re: Dept. Claims Letter No. Nil dated 9—7—1953.

I gratefully acknowledge receipt of your above letter along with a D. D. on the Canara Bank Ltd., City Mangalore, No. 1871/382393 dated 6—7—1953 for Rs. 2258/- less Rs. 2/14/- D. D. charges, in full settlement of my claim under Mtd. Pol. No. 125920: Own life.

Kindly accept my deep thankfulness to you for all the trouble taken by you in connection with the despatch of the D. D. so promptly.

Thanking you once more,

Yours faithfully,

(Sd.) A. RAMANATHA RAO. B. A., L. T.,

* * *

No. 30, Manicka Chetty Street,
Choolai,
Vepery Post, Madras,
30th April, 1953.

The Manager,
EMPIRE OF INDIA LIFE ASSURANCE Co., LTD.,
Bombay.

Sir,

I acknowledge with thanks the receipt of Draft No. 91/271-48691 dated 14—4—1953 in my favour of Rs. 3216—15—0 on the National Bank of India Ltd., Madras, in full settlement of claim on Mtd. Pol. No. 190400 on my life. I take this opportunity of thanking the organisation for the promptness with which they settled the claim.

Yours faithfully,

(Sd.) M. MUTHUVADIVELU.

* * *

3, Amita Ghose Road,
P. O. Rash Behary Avenue,
Calcutta,
20th July, 1953.

THE EMPIRE OF INDIA LIFE ASSURANCE CO., LTD.,
Empire House, Bombay No. 1.

Dear Sirs,

Policy No. 212767: Own life

I have great pleasure in acknowledging the receipt of your cheque for Rs. 2100/- dated 11—7—1953. I appreciate your promptness in setting claims, which other Companies should follow. In future, I shall be glad to have your policies in preference to other Companies if any occasion arises.

Thanking you,

Very truly yours,
(Sd.) M. K. MITTER.

* * *

"Govinda Mandiram",
Kollenvila,
Thuckalay Post, (S. Travacore.)
25th June, 1953.

THE EMPIRE OF INDIA LIFE ASSURANCE CO., LTD.,
214, Hornby Road, Bombay.

Dear Sirs,

Matured Policy No. 124196; Own life

I acknowledge receipt of your letter dated 16th June 1953 enclosing cheque for Rs. 1129/- in full settlement of my claim under the abovementioned policy.

Please accept my thanks for the prompt settlement.

Yours faithfully,
(Sd.) P. P. SHANKER.

* * *

2, Fairlie Place,
Calcutta,
23rd June, 1953.

THE EMPIRE OF INDIA LIFE ASSURANCE CO., LTD.,
214, Hornby Road, Bombay.

Dear Sirs,

Policy No. 28070: K. P. Mukherjee (Deceased).

I acknowledge receipt of your letter of 5th June 1953 with the enclosures as stated therein.

I am grateful to you for your consideration and promptness in setting the above claim.

Yours faithfully,
(Sd.) AMIYA K. MUKHERJEE.
C/o Macneill & Barry Ltd.,
Share Department.

* * *

Saimandir,
Vishnampetai,
Tirukattupalli, (Tanjore District)
17th June, 1953.

THE EMPIRE OF INDIA LIFE ASSURANCE CO., LTD.,
214, Hornby Road, Bombay 1.

Dear Sirs,

Sub: Policy No. 43506: Own life.
Ref: Your registered letter of 8—6—1953.

I am in receipt of the above letter enclosing Cheque No. 31752 dated 11th instant on the National Bank of India Ltd., Bombay, as well as the loan bonds duly cancelled, in full settlement of claim.

I thank you very much for your prompt settlement of the claim.

Yours faithfully,
(Sd.) V. S. VISWANATHA IYER, L. T. M. (Hons),

* * *

Bohra School,
Ajmer,
16th August, 1953.

The Branch Manager,
EMPIRE OF INDIA LIFE ASSURANCE CO., LTD.,
Ajmer.

Dear Sir,

I am with gratitude in receipt of your letter along with cheque for Rs. 2008/-. I am highly grateful to you as well as to the Company which has helped up generously in time of our disaster and hope it will always spread her generous hands on orphans like us. I pray Almighty for the prosperity of the Company.

Yours faithfully,
(Sd.) FAKHRUDDIN M. FAZLEALI,
C/o Abdulhusain Alimohamed.

NEWSY NOTES

Bijoya Sanmilani:

A colourful function took place on 24th October 1953 when the Officers, Medical Examiners, and the members of the staff belonging to the Calcutta Branch of the Empire of India Life Assurance Co., Ltd., gathered to celebrate the Bijoya Sanmilani at their Office premises.

Speeches explaining the significance of Bijoya Sanmilani, the underlying spiritual objective of which is to help in cementing the bonds of social contact and expressions of greeting and friendship were made on the occasion. Messages conveying good wishes were received from the Administrator, the Manager, the Chief Medical Officer and the Accountant of the Company.

After light refreshments, music and dance, the function came to a close.

* * *

At Tumkur, Mr. C. S. Chandrasekhariah, Senior Inspector of the Empire of India Life Assurance Co., Ltd., Bangalore Branch arranged a meeting to welcome Mr. A. I. Ipe, Agency Manager of the Company, who paid a visit to the place on 18th October 1953 accompanied by Mr. V. K. Srinivasan, the Ag. Branch Secretary of the Bangalore Branch. The Agents, Medical Examiners of the Company and Policyholders participated in the function. Messrs. T. Anantharama Setty, C. Aswathanagaraj and Dr. M. Venkatakrishna spoke on the occasion welcoming the Chief Guest and assuring their wholehearted co-operation. Mr. Srinivasan speaking next emphasised the need to aim at the quality aspect of New Business. Mr. Ipe addressing the meeting stressed the value of such gatherings as it brought the management and the workers and Policyholders nearer and exhorted them all to work in team spirit for the betterment of themselves and the Company.