

AN PROJECT REPORT ON
A STUDY ON IMPACT OF MACRO ECONOMICS FACTORS ON THE
PROFITABILITY OF ADITYA BIRLA SUN LIFE INSURANCE

Submitted By
SHREYAS H DEVADIGA
USN - 4AL22BA100



VISVESVARAYA TECHNOLOGY UNIVERSITY, BELAGAVI
In Partial fulfilment of the requirements for the degree of
MASTER OF BUSINESS ADMINISTRATION

Under the guidance of
MRS. PRINCY FRANCIS
Asst. Professor
PG Department of Business Administration



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PG DEPARTMENT OF BUSINESS ADMINISTRATION
ALVA'S INSTITUTE OF ENGINEERING & TECHNOLOGY
Shobhavana Campus, Mijar, Moodubidre
September 2024

Aditya Birla Sun Life Insurance Company Ltd.



adityabirlacapital.com

Date: 10-06-2024

This is to certify that Mr. Shreyas H Devadiga, bearing USN: 4AL22BA100 a student of Alvas Institute of Engineering and Technology, Mijar, Moodbidri had done an Internship at Aditya Birla Sun Life Insurance Co. Ltd. From 22-04-2024 to 06-06-2024 in our Mangalore Branch under the Guidance of Mr. Hilary Dsouza, Regional Training Manager, Aditya Birla Capital.

He has completed the project work and submitted the report on the same.

We wish him all the best in his future endeavors.

For Aditya Birla Capital Ltd

A handwritten signature in blue ink, appearing to read "Hilary Dsouza", written over a horizontal line.

Hilary Donald Dsouza

Regional Training Manager

ADITYA BIRLA SUNLIFE INSURANCE CO.LTD.
KAYARMANJ, 3RD Floor, M.G. Road
Above P.C. Jewellers, Ballalbagh
MANGALURU 575003
Phone: (0824) 4286901
Branch Code -736-

Aditya Birla Sun Life Insurance Company Ltd.
(Formerly Known as Birla Sun Life Insurance Company Ltd.)

Registered Office:
One Indiabulls Centre, Tower 1, 16th Floor,
Jupiter Mill Compound, B4 1, Senapati Bapat Marg,
Elphinstone Road, Mumbai 400013



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Date: 10/09/2024

CERTIFICATE

This is to certify that **Shreyas H Devadiga** bearing **USN 4AL22BA100**, is a bonafide student of Master of Business Administration course of Alva's Institute of Engineering and Technology, Moodbidri for the batch 2022-2024, affiliated to Visvesvaraya Technological University, Belagavi. The Project report on "**A Study on Impact of Macro Economics Factors on the Profitability of Aditya Birla Sun Life Insurance**" is prepared by him under the guidance of Mrs Princy P F, Assistant Professor, in partial fulfilment of the requirements for the award of the degree of Master of Business Administration of Visvesvaraya Technological University, Belagavi Karnataka.


Signature of Internal Guide


Signature of HOD


Signature of Principal
PRINCIPAL

Viva – Voce Examination

HOD
PG Dept. of Business Administration
Alva's Institute of Engg. & Technology
Mijar - 574225

Alva's Institute of Engg. & Technology,
Mijar. MOODEIDRI - 574 225, D.K

Signature of Internal Examiner
(Name & Affiliation)

Signature of External Examiner
(Name & Affiliation)

DECLARATION

I **Shreyas H Devadiga**, bearing USN **4AL22BA100** hereby declares that the Project Title A Study on Impact of Macro Economics Factors on The Profitability of Aditya Birla Sun Life Insurance prepared by me under the guidance of **Mrs. Princy Francis**, faculty of MBA Department, Alva's Institute of Engineering and Technology and External Guidance by **Mr. Hilary Donald Dsouza**.

I also declare that this Project is towards the partial fulfilment of the University regulations for the award of degree of Master of Business Administration by Visvesvaraya Technological University Belagavi.

I have undergone a summer Project for period of six weeks. I further declare that this Project is based on the original study undertaken by me and has not been submitted for the award of any degree/diploma from any other University/Institution.

Place:

Date:

Signature of the Student

Shreyas H Devadiga

(4AL22BA100)

ACKNOWLEDGEMENT

I would like to take this opportunity to express my sincere gratitude to all those who have helped me throughout this Project. It gives me immense pleasure to acknowledge all those who have encouraged and supported for the successful completion of this work.

I would like to express my sincere thanks to Principal **Dr. Peter Fernandes**, AIET, Moodbidri. And I express my deep sense of gratitude to my Internal Guide **Mrs. Princy Francis**, Professor of MBA Department, for the constant support and encouragement to carry out my report successful without much difficulty. I express my heartfelt thanks for their constant encouragement and support during the entire report.

My profound thanks to **Mr. Hilary Donald Dsouza**, who took interest in explaining concepts and imparting necessary inputs pertaining to the Project work, without which it would not have been possible for me to complete this work. I am also very thankful to other executives and staff of the company for their co-operation.

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TABLE OF CONTENTS

Chapter No.	Contents	Page No.
1	Introduction	1-14
	Industry Profile	1-2
	Company Profile	3-14
2	Conceptual Background and Literature Review	15-26
	Theoretical Background of the Study	16-19
	Review of Literature	20-26
3	Research Design	27-30
	Statement of the Problem	28
	Need for the Study	28
	Objectives	28
	Scope of the Study	28-29
	Research Methodology	29-30
4	Analysis and Interpretation	31-52
	Ratios and analysis	32-45
	Trend analysis	46-49
	Correlation analysis	50-52
5	Findings, Conclusion and Suggestions	53-55
	Summary of Findings	54-55
	Suggestions	55
	Conclusion	56
	Bibliography	57-60

TABLE OF GRAPHS AND CHARTS

SL NO.	PARTICULARS	PAGE NO.
1.	Operating profit margin ratio	32-33
2.	Net profit margin ratio	33-34
3.	Return on equity ratio	34-35
4.	Return on asset ratio	35-37
5.	Asset turnover ratio	37-38
6.	Interest coverage ratio	38-39
7.	Return on capital employed ratio	40-41
8.	Cash ratio	41-42
9.	PAT growth ratio	42-43
10.	Relative growth ratio	43
11.	Change in operating profit margin	43
12.	Interest expense ratio	43-44
13.	Trend analysis	46-49

Executive Summary

This project examines the financial performance of Aditya Birla Sun Life Insurance (ABSLI), a major player in India's insurance sector, in response to key macroeconomic factors such as GDP growth, inflation, interest rates, and unemployment. ABSLI, part of the Aditya Birla Group, offers a variety of insurance products including life, health, and retirement solutions. With a strong distribution network and partnerships, the company has shown resilience in a highly competitive market.

The study highlights the evolving landscape of the insurance industry, driven by technological advancements and changing consumer needs. ABSLI's growth prospects are analyzed in the context of India's expanding insurance market, with a focus on the company's ability to innovate and adapt to meet customer demands. The project also emphasizes the importance of macroeconomic conditions in shaping ABSLI's profitability, identifying key factors such as inflation and interest rates that influence the company's investment income and operational costs.

Financial ratio analysis reveals ABSLI's consistent performance, with stable operating and net profit margins despite external economic pressures. However, challenges such as fluctuating return on equity (ROE) and return on assets (ROA) are noted, indicating potential areas for improvement in profitability and asset utilization.

The project concludes with strategic recommendations for ABSLI to enhance its financial performance by better aligning with macroeconomic trends, optimizing debt management, and improving capital efficiency. The company's future growth will depend on its ability to innovate, expand its customer base, and strengthen cost management practices in a competitive and dynamic market.