

What Is an Insurance POS and How Does It Work in India?

Buying insurance has become more convenient as digital platforms and simplified distribution systems have made policies easier to access. People no longer need to depend entirely on traditional insurance offices to explore coverage options. One important development in this process is the Point of Sales (POS) model, which allows eligible individuals to distribute specific insurance products after completing the required training and registration.

The term **insurance pos** refers to a Point of Sales insurance distribution model designed to make insurance products accessible through a simplified process. In India, a Point of Sales Person (POSP) can help customers understand eligible insurance products, compare available options, and complete policy purchases through an authorised insurance intermediary. This model also creates an opportunity for individuals to start working in the insurance sector with suitable training and support.



What Is an Insurance POS?

An insurance POS is a distribution channel through which specified insurance products are offered to customers using a simplified sales process. The term is commonly associated with Point of Sales Persons, who are trained and authorised to sell eligible insurance products under the applicable regulatory framework.

The POS model aims to make insurance easier to understand and purchase, particularly for customers who may not be familiar with complex policy documents or traditional insurance procedures. Depending on the products offered, customers may explore motor, health, personal accident, and other eligible insurance policies through an authorised POSP channel.

For individuals interested in the insurance industry, becoming a POSP can provide an entry point into insurance distribution. It allows them to develop customer service, communication, and product knowledge skills while helping people identify suitable coverage.

How Does an Insurance POS Work in India?

The insurance POS process involves several steps, from registering as an eligible insurance distributor to assisting customers with policy purchases. The exact procedure depends on the intermediary, insurer, product category, and applicable regulations.

1. Registration With an Authorised Intermediary

An individual interested in becoming a POSP generally needs to register with an eligible insurance intermediary, such as an insurance broker or another permitted distribution entity. The intermediary explains the eligibility criteria, required documentation, and registration procedure.

Applicants typically provide identity and address proof along with other information requested during onboarding. The documents and requirements may vary depending on the organisation and applicable rules.

2. Completing the Required Training

Before selling eligible insurance products, applicants must complete the prescribed training and fulfil the applicable assessment or certification requirements. The training introduces the fundamentals of insurance, customer responsibilities, policy features, and ethical sales practices.

This preparation helps POSPs explain basic coverage details, exclusions, premium information, and policy conditions more accurately.

3. Understanding Eligible Insurance Products

After completing the required formalities, a POSP can offer the insurance products permitted under their authorisation. These may include specified motor insurance, health insurance, and other approved products, depending on the arrangement.

Understanding product differences is essential. A POSP should explain important policy conditions and avoid promising benefits that are not included in the contract.

4. Identifying Customer Requirements

The next step involves understanding the customer's insurance needs. For example, a vehicle owner may need motor insurance, while a family may be looking for health coverage.

The POSP can ask relevant questions about the customer's requirements, budget, existing coverage, and preferred benefits. This information helps the customer evaluate suitable available options without relying solely on the lowest premium.

5. Completing the Policy Purchase

Once the customer selects a policy, the POSP assists with the application process, submission of necessary details, and payment through the authorised system.

The insurer evaluates the proposal according to its underwriting rules and product conditions. Policy issuance is subject to the insurer's approval and applicable requirements. Customers should review their policy documents carefully after issuance.

Types of Insurance Available Through the POS Model

The products available through a POSP channel depend on the intermediary's arrangements and the applicable regulatory framework. Common categories may include the following.

Motor Insurance

Motor insurance can help vehicle owners meet applicable legal requirements and protect themselves against specified financial losses. Depending on the policy, coverage may include third-party liability, damage to the insured vehicle, or both.

A POSP can explain the differences between available options, policy conditions, deductibles, and add-on covers where offered.

Health Insurance

Health insurance provides financial protection against covered medical expenses, subject to the policy's terms. POSPs distributing eligible health products can help customers understand sum insured, waiting periods, exclusions, co-payments, and other important conditions.

Customers should disclose relevant information accurately and check whether a policy meets their healthcare requirements.

Personal Accident and Other Eligible Products

Certain POSP arrangements may offer personal accident or other permitted insurance products. The benefits, eligibility criteria, and coverage limitations depend on the specific product.

Customers should always verify the scope of coverage before purchasing a policy.

Benefits of the Insurance POS Model

The POS model offers advantages for both customers and individuals entering insurance distribution.

1. Simplified Access to Insurance

Customers can explore eligible insurance products through a more accessible sales process. Digital tools may reduce paperwork and make it easier to submit applications and receive policy documents.

2. Career Opportunities for Beginners

Individuals interested in insurance sales can explore the POSP route without necessarily following the same career path as a traditional insurance employee. The required training and onboarding provide a foundation for learning about insurance products and customer service.

3. Flexible Working Opportunities

Depending on the intermediary's business model, POSPs may be able to work part-time or alongside another occupation. However, actual flexibility depends on customer demand, operational requirements, and the intermediary's terms.

4. Potential for Commission-Based Earnings

POSPs may receive commissions or other permitted remuneration for eligible insurance business, according to their arrangement with the intermediary and applicable rules.

Earnings are not guaranteed. They can vary based on sales, product mix, customer retention, business activity, and the applicable remuneration structure.

5. Better Customer Guidance

A trained POSP can help customers understand basic insurance terminology and identify important policy features. Clear explanations can reduce confusion and support more informed purchasing decisions.

Eligibility and Requirements to Become a POSP in India

People interested in becoming a POSP should confirm the current requirements with an authorised intermediary before applying. Common requirements may include:

- Meeting the applicable minimum age and educational criteria.
- Providing valid identity and address documents.
- Completing prescribed training.
- Passing any required assessment or fulfilling certification conditions.
- Completing registration and onboarding formalities.
- Following applicable insurance distribution and customer protection rules.

Applicants should also understand the intermediary's commission structure, support services, technology platform, and product availability before committing.

Difference Between an Insurance POSP and a Traditional Insurance Agent

Although both roles involve insurance distribution, their authorisation, product scope, and operating arrangements may differ.

A traditional insurance agent generally operates under an insurer's appointment and can distribute products permitted under that arrangement. A POSP works through an eligible intermediary and is restricted to products they are authorised to distribute under the applicable POSP framework.

The POSP model typically emphasises simplified products, prescribed training, and streamlined distribution. Neither role should be assumed to offer unrestricted access to every insurance product.

Individuals should verify the current requirements and permitted product categories before choosing a route into insurance distribution.

Important Things to Consider Before Buying Insurance Through a POSP

Customers should focus on policy suitability rather than making a decision based only on price or convenience.

First, check the coverage offered and understand exclusions, waiting periods, deductibles, and claim conditions. Second, provide accurate information in the proposal form, as incorrect or incomplete disclosures can affect claims. Third, verify that the person and intermediary are authorised to distribute the product.

Customers should also read the policy wording, review premium payment details, and retain the policy documents and transaction records. For questions about claims or servicing, they should understand the insurer's official procedures and the support available through the intermediary.

A POSP can help explain the purchasing process, but the insurance contract ultimately determines the coverage and benefits available.

How Square Insurance Can Help Aspiring POSPs

Individuals interested in entering insurance distribution can explore the opportunities available through Square Insurance. Before registering, applicants should review the current eligibility criteria, training requirements, available insurance products, and terms of engagement.

A suitable onboarding process can help new distributors understand the fundamentals of insurance, learn how to use the available digital tools, and develop a customer-focused approach. Aspiring POSPs should also make sure they understand the responsibilities associated with explaining coverage, protecting customer information, and following applicable regulations.

Building trust through accurate information and responsible service is an important part of developing a sustainable insurance distribution career.

Conclusion

The insurance POS model has made insurance distribution more accessible by combining simplified product offerings, prescribed training, and convenient purchasing processes. In India, it provides customers with another way to explore eligible insurance policies while offering aspiring distributors an opportunity to enter the insurance industry.

Before becoming a POSP, individuals should understand the eligibility requirements, permitted product categories, remuneration arrangements, and responsibilities involved. Customers, meanwhile, should evaluate policy terms carefully and choose

coverage according to their actual needs. With the right preparation and customer-focused practices, [Square Insurance](#) can be a starting point for individuals exploring opportunities in insurance distribution.

Frequently Asked Questions

Q1. What is an insurance POS in India?

An insurance POS is a Point of Sales distribution model through which authorised individuals can offer specified insurance products to customers under the applicable regulatory framework.

Q2. What is a POSP in insurance?

POSP stands for Point of Sales Person. It refers to an individual who completes the required training and registration formalities to distribute eligible insurance products through an authorised intermediary.

Q3. Which insurance products can a POSP sell?

Depending on the intermediary and applicable rules, a POSP may distribute eligible motor, health, personal accident, and other permitted insurance products.

Q4. Is training necessary to become an insurance POSP?

Yes. Applicants must complete the prescribed training and fulfil applicable assessment, certification, and registration requirements before selling eligible products.

Q5. Can beginners become POSPs in India?

Yes, eligible beginners can explore the POSP route. They must satisfy the applicable eligibility criteria and complete the required onboarding process.