

# ઈન્સ્યોરન્સ ઉદ્યોગ, ઇંધા અને વ્યવસાય માટે વર્તમાન ભારત ના પરિપ્રેક્ષ્યમાં...



**ASHUTOSH FINANCIAL SERVICES PVT. LTD.**

| RAJKOT | AHMEDABAD | MUMBAI

| INVESTMENTS | INSURANCE | NRI SERVICES | INCOME TAX & ESTATE PLANNING



# Tax Planning through Life Insurance

# Income Tax provisions for Life Insurance & Pension

# Provision of Sec 10 (10D) of the Income Tax Act

<b>Policy Issue Date</b>	<b>Premium against total Sum Assured</b>	<b>Taxability</b>	<b>Claims on death</b>
<b>Before 31<sup>st</sup> March 2003</b>	<b>No restrictions</b>	<b>Tax Free</b>	<b>Tax Free</b>
<b>From 1<sup>st</sup> April 2003 to 31<sup>st</sup> March 2012</b>	<b>More than 20%</b>	<b>Taxable</b>	<b>Tax Free</b>
	<b>20% of less</b>	<b>Tax Free</b>	<b>Tax Free</b>
<b>From 1<sup>st</sup> April 2012</b>	<b>More than 10%</b>	<b>Taxable</b>	<b>Tax Free</b>
	<b>10% of less</b>	<b>Tax Free</b>	<b>Tax Free</b>

# Provision of Sec 10 (10D) of the Income Tax Act

✓ With effect from 1<sup>st</sup> April 2021 :

- If the premium for life insurance policies being a ULIP (Unit Linked Insurance Policy), exceeds Rs. 2,50,000/- deduction U/s 10 (10D) is not available. If there are more than one life insurance policies, the aggregate of such policies will have to be considered.

✓ With effect from 1<sup>st</sup> April 2023 :

- If the premium for life insurance policies being any policy other than ULIP exceeds Rs. 5,00,000/- deduction U/s 10 (10D) is not available. If there are more than one life insurance policies, the aggregate of such policies will have to be considered.

## Other related provision under the Income Tax Act

- ✓ Any amount (principal plus bonus / appreciation) received on a Keyman life insurance policy do not qualify for deduction U/s 10 (10D).
- ✓ Taxable life insurance policies are subject to TDS @5% U/s 194DA on the amount received in excess of the premium paid by the policy holder.
- ✓ U/s 10 (10A) (iii) (b) any payment in commutation of pension received from a Pension Fund, is tax free.

# Planning for Tax Free Equity oriented investments (SIP) through Unit Linked Insurance Plans

# Planning for Tax Free Equity oriented investments (SIP) through ULIP

- ✓ Unit Linked Insurance Plan (ULIP) is an insurance plan under which over & above the sum assured, the investment of premium can be made in Equity Funds.
- ✓ Switching between Equity funds and even Debt oriented funds is seamlessly possible.
- ✓ ULIP premiums can be paid on a monthly basis like SIP (Systematic Investment Plan).
- ✓ Underwriting under these plans is comparatively simple.

# Planning for Tax Free Equity oriented investments (SIP) through ULIP

- ✓ Funds value or Sum Assured whichever higher is receivable in case of death.
- ✓ Partial withdrawal of fund value can be made during the policy period.
- ✓ Taxation on these policies is similar to Mutual Funds.
- ✓ But the Income Tax exemption U/s 10 (10D) upto Rs. 2,50,000/- premium per year available to all the assesses, separately for Individual & HUF.

# Planning for Tax Free Equity oriented investments (SIP) through ULIP

Gross Return @ 15% less expenses (Like: Premium Allocation Charges, Mortality Charge, GST, Policy Admin Charges, Fund Management Charge)

Age	Annualized Premium	Addition to fund	Fund at End of the Year	Death Benefit
30	2,40,000	0	2,50,083	24,00,000
31	2,40,000	0	5,42,199	24,00,000
32	2,40,000	0	8,75,857	24,00,000
33	2,40,000	0	12,56,972	24,00,000
34	2,40,000	0	16,92,317	24,00,000
35	2,40,000	11,647	22,01,615	24,00,000
36	2,40,000	14,920	27,86,474	27,86,474
37	2,40,000	18,676	34,57,411	34,57,411
38	2,40,000	22,984	42,27,044	42,27,044
39	2,40,000	57,927	51,39,832	51,39,832
40	0	49,513	59,12,535	59,12,535
41	0	56,960	68,02,282	68,02,282
42	0	65,536	78,26,845	78,26,845
43	0	75,412	90,06,700	90,06,700
44	0	86,784	1,03,65,432	1,03,65,432
45	0	99,881	1,19,30,212	1,19,30,212
46	0	1,14,964	1,37,32,341	1,37,32,341
47	0	1,32,335	1,58,07,878	1,58,07,878
48	0	1,52,343	1,81,98,361	1,81,98,361
49	0	1,75,386	2,04,51,644	2,04,51,644

# Planning for Tax Free Equity oriented investments (SIP) through ULIP

- ✓ Completely tax free corpus can be built with the appreciation of Equity Investments. Taxation on the corpus can be quite substantial, if invested through other options of equity investments.
- ✓ It can be considered as a tax free option of SIP investments.

**Planning for Tax Free  
Fixed Return Investments (Like FD)  
through Assured Return Income Plans**

# Planning for Tax Free Fixed Return Investments through Assured Return Income Plans

- ✓ Premiums are to be paid for a fixed period with a specified Sum Assured.
- ✓ Maturity returns for such policies are assured (guaranteed) under these insurance policies.
- ✓ These kinds of insurance plans assures fixed rate of return on investments for a long period of time in the dynamic interest rate scenario.

# Planning for Tax Free Fixed Return Investments through Assured Return Income Plans

- ✓ Underwriting under these plans is comparatively simple.
- ✓ Taxation happens at the time of withdrawals from the policy.
- ✓ But the Income Tax exemption U/s 10 (10D) upto Rs. 5,00,000/- premium per year available to all the assesses, separately for Individual & HUF.
- ✓ The returns in the example does not factor the benefit of insurance availed.

# Planning for Tax Free Fixed Return Investments through Assured Return Income Plans

## SUGGESTION FOR GUARANTEED PLAN TO PROVIDE REGULAR INCOME AND INSURANCE

POLICY YEAR	INSURED AGE	DATE OF ACTION	OUT FLOW (PREMIUM)	INFLOW ^ (ANNUAL INCOME) (TAX FREE)	DEATH BENEFIT * (TAX FREE)		POLICY YEAR	INSURED AGE	DATE OF ACTION	OUT FLOW (PREMIUM)	INFLOW ^ (ANNUAL INCOME) (TAX FREE)	DEATH BENEFIT * (TAX FREE)
1	30	11-02-2024	5,22,500	0	65,00,000		23	52	11-02-2046	0	7,55,500	77,40,000
2	31	11-02-2025	5,11,250	0	65,00,000		24	53	11-02-2047	0	7,55,500	77,04,000
3	32	11-02-2026	5,11,250	0	65,00,000		25	54	11-02-2048	0	7,55,500	76,68,000
4	33	11-02-2027	5,11,250	0	65,00,000		26	55	11-02-2049	0	7,55,500	76,26,000
5	34	11-02-2028	5,11,250	0	65,00,000		27	56	11-02-2050	0	7,55,500	75,78,000
6	35	11-02-2029	5,11,250	P	65,00,000		28	57	11-02-2051	0	7,55,500	75,30,000
7	36	11-02-2030	5,11,250	0	65,00,000		29	58	11-02-2052	0	7,55,500	74,76,000
8	37	11-02-2031	5,11,250	0	65,00,000		30	59	11-02-2053	0	7,55,500	74,22,000
9	38	11-02-2032	5,11,250	0	65,00,000		31	60	11-02-2054	0	7,55,500	73,56,000
10	39	11-02-2033	5,11,250	0	65,00,000		32	61	11-02-2055	0	7,55,500	72,90,000
11	40	11-02-2034	5,11,250	0	65,00,000		33	62	11-02-2056	0	7,55,500	72,12,000
12	41	11-02-2035	5,11,250	0	73,26,000		34	63	11-02-2057	0	7,55,500	71,34,000
13	42	11-02-2036	0	0	79,68,000		35	64	11-02-2058	0	7,55,500	70,44,000
14	43	11-02-2037	0	7,55,500	79,50,000		36	65	11-02-2059	0	7,55,500	69,48,000
15	44	11-02-2038	0	7,55,500	79,38,000		37	66	11-02-2060	0	7,55,500	68,46,000
16	45	11-02-2039	0	7,55,500	79,20,000		38	67	11-02-2061	0	7,55,500	67,32,000
17	46	11-02-2040	0	7,55,500	78,96,000		39	68	11-02-2062	0	7,55,500	66,12,000
18	47	11-02-2041	0	7,55,500	78,78,000		40	69	11-02-2063	0	7,55,500	64,74,000
19	48	11-02-2042	0	7,55,500	78,54,000		41	70	11-02-2064	0	7,55,500	63,30,000
20	49	11-02-2043	0	7,55,500	78,30,000		42	71	11-02-2065	0	7,55,500	63,30,000
21	50	11-02-2044	0	7,55,500	78,00,000		43	72	11-02-2066	0	67,55,500	63,30,000
22	51	11-02-2045	0	7,55,500	77,70,000		TOTAL			61,46,250	2,86,65,000	

^ inflow amount proceeds will be paid only if the insured person is alive.

\* On Death : Death benefit will be paid and policy will be terminated.

**Taxfree XIRR : 6.83% (TAX FREE IRR : 7.19%)**

If Client falls under the Tax slab of 31.2%. So, effective ROI will be 9.93%

By taking this plan you are fixing this Interest rate for next 43 years.

As per past history of Interest rate, interest rate declines by 1% every three years.

Insurance is the Subject Matter of Solicitation

**Tax planning  
under Employer – Employee insurance for  
different Business structures –  
like Proprietorship, Partnership / LLP & Companies**

# Tax planning under Employer – Employee insurance

- ✓ Employer insures employee under this policy.
- ✓ Employer pays premium and gets 100% deduction U/s 37 (1) of the Income Tax Act.
- ✓ Premiums under this plan can be paid under a ULIP, which acts as an investment in equity SIP for the business.
- ✓ The investment appreciates like an equity oriented investment.

# Tax planning under Employer – Employee insurance

- ✓ Withdrawals from this plan are taxable in the year of withdrawal, which can be planned on the basis of fluctuating incomes of the business.
- ✓ Death claim (within lockin period) from this plan is receivable by the employer. The death claim is taxable income for business.  
Ex-gratia payment made to legal heirs of the employees is tax deductible U/s 37(1) for the employer, but tax free for the employee under CBDT circular 573 Dt. 21-08-90.

# Tax planning under Employer – Employee insurance

- ✓ This policy is a combination of :
- Appreciation of Equity of a corpus build through SIP type mode.
  - 100% tax deductibility of investment.
  - Taxability as per planning of the business.
  - Risk cover is an advantage which is over & above the investment gain.
  - Even if there is no scope of planning, deferment of tax is a clear cut advantage.
  - No controversial planning is involved.

# Tax planning under Employer – Employee insurance

## ✓ Term Plan under Employer – Employee Income :

- A Term Plan of employees can be availed and premium is paid by the businesses. Premiums are deductible U/s 37 (1). These premiums individually are not deductible under the new scheme of taxation.

- Death claim (within lockin period) from this plan is receivable by the employer. The death claim is taxable income for business.

Ex-gratia payment made to legal heirs of the employees is tax deductible U/s 37(1) for the employer, but tax free for the employee under CBDT circular 573 Dt. 21-08-90.

# Tax planning under Employer – Employee insurance

COMPARISON OF CORPUS WITHIN THE PROPRIORSHIP CONCERN - EMPLOYER-EMPLOYEE INSURANCE POLICY WITH EQUITY MF INVESTMENT			
PROPRIOR CLIENTS - ULIP			
INVESTMENT IN EQUITY MUTUAL FUND BY THE PROPRIORSHIP CONCERN		INVESTMENT IN EMPLOYER-EMPLOYEE INSURANCE POLICY (ULIP) BY THE PROPRIORSHIP CONCERN	
PARTICULARS	AMOUNT	PARTICULARS	AMOUNT
INCOME	10,00,000	INCOME	10,00,000
INCOME TAX @ 35.88% (Income 1Cr. To 2Cr.)	3,58,800	TAX RATE	Nil as expense (EE policy premium) is claimed against the income
INCOME AFTER TAX	6,41,200	INCOME AFTER TAX	10,00,000
REMAINING AMOUNT INVESTED IN MUTUAL FUND	6,41,200	REMAINING AMOUNT INVESTED IN ULIP	10,00,000
AMOUNT OF GROWTH (GROWTH @15% LESS FUND MANAGEMENT CHARGES @2%) = 13%	1,33,46,140	AMOUNT OF CORPUS (GROWTH @15% LESS ALL EXPENSES)	2,17,45,342
LESS : TAX @ 10.40% ON GAINS	7,21,151	LESS : TAX @ 35.88% ON GAINS (Income 1Cr. To 2Cr.)	78,02,229
NET CORPUS VALUE	1,26,24,989	NET CORPUS VALUE	1,39,43,113
		Difference	
DIFFERENCE (GAIN ON OPTING FOR EMPLOYER-EMPLOYEE INSURANCE POLICY)		13,18,124	10.44%

# Tax planning under Employer – Employee insurance

## COMPARISON OF CORPUS WITHIN THE FIRM - EMPLOYER-EMPLOYEE INSURANCE POLICY WITH EQUITY MF INVESTMENT

### PARTNER CLIENTS - ULIP

INVESTMENT IN EQUITY MUTUAL FUND BY THE FIRM		INVESTMENT IN EMPLOYER-EMPLOYEE INSURANCE POLICY (ULIP) BY THE FIRM	
PARTICULARS	AMOUNT	PARTICULARS	AMOUNT
INCOME	10,00,000	INCOME	10,00,000
INCOME TAX @ 31.2% (Upto 1Cr.)	3,12,000	TAX RATE	Nil as expense (EE policy premium) is claimed against the income
INCOME AFTER TAX	6,88,000	INCOME AFTER TAX	10,00,000
REMAINING AMOUNT INVESTED IN MUTUAL FUND	6,88,000	REMAINING AMOUNT INVESTED IN ULIP	10,00,000
AMOUNT OF GROWTH (GROWTH @15% LESS FUND MANAGEMENT CHARGES @2%) = 13%	1,43,20,250	AMOUNT OF CORPUS (GROWTH @15% LESS ALL EXPENSES)	2,17,45,342
LESS : TAX @ 10.40% ON GAINS	7,73,786	LESS : TAX @ 34.94% ON GAINS (Income 1Cr. To 2Cr.)	75,97,822
NET CORPUS VALUE	1,35,46,464	NET CORPUS VALUE	1,41,47,520

**DIFFERENCE (GAIN ON OPTING FOR EMPLOYER-EMPLOYEE INSURANCE POLICY)**

**6,01,056**

Difference

4.44%

# Tax planning under Employer – Employee insurance

## COMPARISON OF CORPUS WITHIN THE COMPANY - EMPLOYER-EMPLOYEE INSURANCE POLICY WITH EQUITY MF INVESTMENT

### CORPORATE CLIENTS - ULIP

INVESTMENT IN EQUITY MUTUAL FUND BY THE COMPANY		INVESTMENT IN EMPLOYER-EMPLOYEE INSURANCE POLICY (ULIP) BY THE COMPANY	
PARTICULARS	AMOUNT	PARTICULARS	AMOUNT
INCOME	10,00,000	INCOME	10,00,000
INCOME TAX @ 25.17%	2,51,700	TAX RATE	Nil as expense (EE policy premium) is claimed against the income
INCOME AFTER TAX	7,48,300	INCOME AFTER TAX	10,00,000
REMAINING AMOUNT INVESTED IN MUTUAL FUND	7,48,300	REMAINING AMOUNT INVESTED IN ULIP	10,00,000
AMOUNT OF GROWTH (GROWTH @15% LESS FUND MANAGEMENT CHARGES @2%) = 13%	1,55,75,353	AMOUNT OF CORPUS (GROWTH @15% LESS ALL EXPENSES)	2,17,45,342
LESS : TAX @ 10.40% ON GAINS	8,41,605	LESS : TAX @ 25.17% ON GAINS	54,73,303
NET CORPUS VALUE	1,47,33,748	NET CORPUS VALUE	1,62,72,039
<b>DIFFERENCE (GAIN ON OPTING FOR EMPLOYER-EMPLOYEE INSURANCE POLICY)</b>			<b>15,38,291</b>
			<b>10.44%</b>

# Tax & Estate planning with whole life insurance policies

# Tax & Estate planning with whole life insurance policies

- ✓ Insurance premiums are paid for a specified period with a sum assured.
- ✓ The insurance premiums are invested in Equity oriented investment funds through regular or SIP type (monthly investment) mode.
- ✓ The policy period for these policy is 100 years. The nominee is sure to receive the death claim.
- ✓ Death claim for any life insurance policy is completely tax free U/s 10 (10 D).

# Tax & Estate planning with whole life insurance policies

- ✓ This policy can act as a Tax Planning option to bequeath a large corpus of funds to the next generation, completely tax free.
- ✓ This policy can also act as an Estate Planning tool to bequeath and provide large corpus of estate to one or more heirs of the policy holder.

# Tax & Estate planning with whole life insurance policies

Gross Return @ 15% less expenses (Like: Premium Allocation Charges, Mortality Charge, GST, Policy Admin Charges, Fund Management Charge)

Age	Annualized Premium	Addition to the fund	Fund at End of the Year	Death Benefit	Age	Annualized Premium	Addition to the fund	Fund at End of the Year	Death Benefit
50	10,00,000	0	10,54,857	12,50,000	75	0	0	16,51,04,616	16,51,04,616
51	10,00,000	50,000	23,00,660	23,00,660	76	0	0	18,68,37,662	18,68,37,662
52	10,00,000	0	36,60,511	36,60,511	77	0	0	21,14,32,527	21,14,32,527
53	10,00,000	0	51,99,428	51,99,428	78	0	0	23,92,66,055	23,92,66,055
54	10,00,000	0	69,40,990	69,40,990	79	0	78,57,030	27,86,21,747	27,86,21,747
55	10,00,000	50,000	89,61,882	89,61,882	80	0	0	31,53,02,785	31,53,02,785
56	10,00,000	0	1,11,98,886	1,11,98,886	81	0	0	35,68,14,001	35,68,14,001
57	10,00,000	0	1,37,70,522	1,37,70,522	82	0	0	40,37,91,435	40,37,91,435
58	10,00,000	0	1,66,80,791	1,66,80,791	83	0	0	45,69,54,881	45,69,54,881
59	10,00,000	7,05,815	2,06,93,455	2,06,93,455	84	0	1,46,31,770	53,17,50,686	53,17,50,686
60	0	0	2,34,10,367	2,34,10,367	85	0	0	60,17,63,870	60,17,63,870
61	0	0	2,64,85,044	2,64,85,044	86	0	0	68,09,96,425	68,09,96,425
62	0	0	2,99,64,596	2,99,64,596	87	0	0	77,06,62,362	77,06,62,362
63	0	0	3,39,02,336	3,39,02,336	88	0	0	87,21,35,555	87,21,35,555
64	0	14,65,862	3,98,24,462	3,98,24,462	89	0	2,75,52,697	1,01,45,23,486	1,01,45,23,486
65	0	0	4,50,60,555	4,50,60,555	90	0	0	1,14,81,08,433	1,14,81,08,433
66	0	0	5,09,86,139	5,09,86,139	91	0	0	1,29,92,83,914	1,29,92,83,914
67	0	0	5,76,92,007	5,76,92,007	92	0	0	1,47,03,66,257	1,47,03,66,257
68	0	0	6,52,80,907	6,52,80,907	93	0	0	1,66,39,76,808	1,66,39,76,808
69	0	24,42,401	7,63,11,518	7,63,11,518	94	0	5,21,95,758	1,93,52,77,852	1,93,52,77,852
70	0	0	8,63,52,244	8,63,52,244	95	0	0	2,19,01,08,194	2,19,01,08,194
71	0	0	9,77,15,138	9,77,15,138	96	0	0	2,47,84,94,724	2,47,84,94,724
72	0	0	11,05,74,304	11,05,74,304	97	0	0	2,80,48,56,136	2,80,48,56,136
73	0	0	12,51,26,772	12,51,26,772	98	0	0	3,17,41,92,983	3,17,41,92,983
74	0	43,04,877	14,59,00,392	14,59,00,392	99	0	9,91,95,518	3,69,13,59,807	3,69,13,59,807

Taxation on the gain @ 10.40%. Could be very substantial.

# Tax Planning with Pension Plans

# Tax Planning with Pension Plans

- ✓ Insurance is for living too short – pension is living for too long...
- ✓ Indian population is slowly ageing.  
Families are becoming nuclear.  
Aging persons need their space.  
Financial independence is important.
- ✓ Pension in developed economies is an important tool of financial planning.

# Tax Planning with Pension Plans

- ✓ Benefits of Sec 10 (10D) are now restricted, but exemption U/s 10 (10D) (iii) is available.
- ✓ U/s 10 (10A) (iii) – commuted value of pension received from a pension fund is tax free.
- ✓ A large tax free corpus can be built with underlying investment in equity oriented investments.
- ✓ All receipts other than commuted value of pension are taxable at slab rates.

# Tax Planning with Pension Plans

Gross Return @ 15% less expenses (Like: Premium Allocation Charges, Mortality Charge, GST, Policy Admin Charges, Fund Management Charge)

Age	Date of Action	Annualized Premium	Amount before respective Taxes	Amount after respective Taxes	Age	Date of Action	Annualized Premium	Amount before respective Taxes	Amounts after respective Taxes (See Note 1 & 2)
40	11-02-2024	5,00,000	0	0	60	11-02-2044	0	2,18,72,339	2,18,72,339
41	11-02-2025	5,00,000	0	0	61	11-02-2045	0	13,75,041	9,46,028
42	11-02-2026	5,00,000	0	0	62	11-02-2046	0	13,75,041	9,46,028
43	11-02-2027	5,00,000	0	0	63	11-02-2047	0	13,75,041	9,46,028
44	11-02-2028	5,00,000	0	0	64	11-02-2048	0	13,75,041	9,46,028
45	11-02-2029	5,00,000	0	0	65	11-02-2049	0	13,75,041	9,46,028
46	11-02-2030	5,00,000	0	0	66	11-02-2050	0	13,75,041	9,46,028
47	11-02-2031	5,00,000	0	0	67	11-02-2051	0	13,75,041	9,46,028
48	11-02-2032	5,00,000	0	0	68	11-02-2052	0	13,75,041	9,46,028
49	11-02-2033	5,00,000	0	0	69	11-02-2053	0	13,75,041	9,46,028
50	11-02-2034	0	0	0	70	11-02-2054	0	13,75,041	9,46,028
51	11-02-2035	0	0	0	71	11-02-2055	0	13,75,041	9,46,028
52	11-02-2036	0	0	0	72	11-02-2056	0	13,75,041	9,46,028
53	11-02-2037	0	0	0	73	11-02-2057	0	13,75,041	9,46,028
54	11-02-2038	0	0	0	74	11-02-2058	0	13,75,041	9,46,028
55	11-02-2039	0	0	0	75	11-02-2059	0	13,75,041	9,46,028
56	11-02-2040	0	0	0	76	11-02-2060	0	13,75,041	9,46,028
57	11-02-2041	0	0	0	77	11-02-2061	0	13,75,041	9,46,028
58	11-02-2042	0	0	0	78	11-02-2062	0	13,75,041	9,46,028
59	11-02-2043	0	0	0	79	11-02-2063	0	13,75,041	9,46,028
					80	11-02-2064	0	1,59,56,600	1,02,95,724

Tax Free XIRR Return

11.87%

Note 1: Inflow in the 20th year at the age of 60 commuted value will be tax free.

Note 2: Tax @32.2% on pension amount is already deducted and tax on return of premium @35.88% is already deducted in the above illustration



**General Insurance  
control your cost  
with best terms**

# Basic Types of General Insurances

## Assets Insurance – Personal and Business

## Personal Insurance

- Personal Health Insurance
- Personal Accident Insurance

## Business Insurance

- Workmen Compensation Insurance
- Group Health Insurance

## Other General Insurances

# Assets Insurance

## ❑ Meaning & importance

- ✓ Personal Assets Insurance covers financial losses in personal assets such as Motor Vehicles, Personal House property, Machinery, Stock, Business premises, etc. by the insured person as per the terms of the Insurance.
- ✓ Types of major Personal Asset Insurances and respective coverages
  - Motor Vehicle - Covers damages for the motor vehicle from events such as accidents, natural disasters, death benefits as well as third party damages which could be for personal as well as commercial purposes.
  - Fire - Covers damages due to fire or any other natural calamities for personal as well as commercial purposes.

# Assets Insurance – Motor Vehicle

- ❑ Ways to reduce costs with better terms and convenient claim settlement
- ✓ Features of the plan should be carefully studied:
  - Coverage type – Third party or comprehensive
  - Types of accidents and damages covered – Third party, natural disasters, legal expenses & death benefit.
  - Network Garages that recognize the plan
  - No claim bonuses and other premium benefits
- ✓ Add on covers such as engine replacement, 24/7 roadside assistance, loss of belongings, tyre protect, passenger cover, daily allowance, etc. should be included for personal vehicle.
- ✓ Add on covers such as loss of income, EMI protector, Additional PA to driver, IMT 23 (lamps / tyres / tubes/ bumpers), emergency medical, consumables cover, accessories cover, etc. should be included for commercial vehicle.

# Assets Insurance – Motor Vehicle

- ❑ Ways to reduce costs with better terms and convenient claim settlement
- ✓ Passenger Carrying Vehicles, Goods Carrying Vehicles as well as Miscellaneous & Special Vehicles can be insured.
- ✓ Third party Insurance is mandatory before the vehicle leaves the showroom and appropriate information as per the RC information of the vehicle should be disclosed at the time of issuance of the policy.
- ✓ The policy should be updated when the ownership of the vehicle changes. Accumulated bonus of the old car can be transferred to the new car insurance.
- ✓ If any upgrade is made in the vehicle, it should be informed and updated in the policy.

# Assets Insurance – Motor Vehicle

- ❑ Ways to reduce costs with better terms and convenient claim settlement
- ✓ After the accident, the first task should be to take photos and shoot a video of the accident.
- ✓ Discount can be availed if the vehicle has Anti-Theft Device.
- ✓ The IDV (Insured Declared Value) of the vehicle should be as per insurance rules - manipulation can affect the chances of claim settlement.
- ✓ Service reviews should be properly studied - Blogs, online reviews as well as research articles available for operational convenience as well as addressing grievances.
- ✓ Plan with best value for money should be compared and selected.

# Assets Insurance – Fire

- ❑ Ways to reduce costs with better terms and convenient claim settlement
- ✓ The coverage range considering the type of natural calamities and types of fire, etc.
- ✓ Add on cover for earthquake should also be included.
- ✓ Fire extinguishers, fire alarms, CCTV cameras, automatic sprinklers, and security guards should be installed to get discounts on fire insurance premiums.

# Assets Insurance – Fire

- ❑ Ways to reduce costs with better terms and convenient claim settlement
- ✓ Additional construction, renovations and new installations as well as costly upgradations in the machinery while the policy is in force should be endorsed through.
- ✓ If any illegal constructions are legalized through impact fee, it has to be updated in the policy. Similarly, changes in the rented premises also need to be intimated.
- ✓ FIR has to be compulsorily filed at the time of claim.

# Personal Health Insurance

## □ Meaning & importance

- ✓ Health Insurance covers medical expenses incurred by the insured person as per the terms of the Insurance.
- ✓ Covers accidents, illnesses and injuries.
- ✓ Inflation in the Healthcare infrastructure is amongst the fastest rising in India.
- ✓ It is no longer a luxury but a necessity in today's times for any family.

# Personal Health Insurance

- ❑ Ways to reduce costs with better terms and convenient claim settlement
- ✓ Features of the plan should be carefully studied:
  - Coverage limit with restoration
  - Types of accidents and diseases covered with exclusions
  - Network hospitals that recognize the plan
  - Whether the coverage is fixed or floating
  - No claim bonuses and other premium benefits
- ✓ Claim settlement ratio has to be evaluated – Preference should be given to the plan with the highest ratio.
- ✓ Service reviews should be properly studied - Blogs, online reviews as well as research articles available for operational convenience as well as addressing grievances.

# Personal Health Insurance

- ❑ Ways to reduce costs with better terms and convenient claim settlement
- ✓ Health Insurance plan should be initiated early in life.
- ✓ Pre Existing Diseases (PED) should be appropriately disclosed at the time of availing the policy.
- ✓ Information should be shared for any diagnosis of diseases and new born should be added to the policy.
- ✓ Claim intimation has to be given in appropriate format and discharge summary should also be drafted accordingly.

# Personal Health Insurance

- ❑ Ways to reduce costs with better terms and convenient claim settlement
  - ✓ Family floater plan should be preferred to reduce cumulative premium amounts.
  - ✓ Combination of Basic & Top-up Health Insurance should be adopted.
  - ✓ Frequent policy porting and multiple policies should be avoided.
  - ✓ Premium amount for greater period coverage can be cost-efficient.
  - ✓ Plan with best value for money should be compared and selected.

# Personal Health Insurance

Insured Name	DOB	Age	Relationship with Proposer	Sum Insured	HDFC ERGO (Optima Restore)	HDFC ERGO (Optima Secure)	STAR (FAMILY HEALTH OPTIMA)	ICICI Lombard (Health AdvantEdge PLUS)	Tata AIG (Medicare)	BAJAJ ALLIANZ (Health Guard - Gold)
	01/03/1996 10/12/1997 07/03/1968 22/11/1973	27 26 55 50	SELF SPOUSE FATHER MOTHER	20L	(multi-individual) 1 Year : 88,469 2 years : 1,79,817 3 years : 2,70,292	1 Year : 75,369 2 Years : 1,42,953 3 Years : 2,13,772 super secure - 2,17,092	-	-	1 Year : 53,648 2 Years : 1,09,035 3 Years : 1,58,310	-
	01/03/1996 10/12/1997	27 26	SELF SPOUSE	20L	1 Year : 24,088 2 Years : 44,562 3 Years : 65,036	1 Year : 23,933 2 Years : 44,593 3 Years : 65,544 super secure - 66,560	-	1 Year : 21,267 2 Years : 39,445 3 Years : 57,622	1 Year : 21,051 2 Years : 39,997 3 Years : 56,838	1 Year : 20,474 2 Years : 39,308 3 Years : 56,506
	22/11/1973 07/03/1968	55 50	SELF SPOUSE	20L	1 Year : 49,385 2 Years : 1,05,225 3 Years : 1,60,316	1 Year : 60,555 2 Years : 1,15,350 3 Years : 1,73,199 super secure - 1,75,888	-	1 Year : 47,494 2 Years : 87,964 3 Years : 1,28,434	1 Year : 42,064 2 Years : 88,279 3 Years : 1,29,409	1 Year : 49,974 2 Years : 1,11,354 3 Years : 1,67,454

Child Renewal Age	25	25	25	25	25	30
Day Care	All Treatment	All Treatment	All treatments	All Treatment	540+ Treatment	399 Treatment
Renewal Discount	Up to 8%	X	X	X	X	Up to 7.5%
Pre & Post	60-180 Days	60-180 Days	60-90 Days	60-180 Days	60-90 Days	60-90 Days
Physiotherapy Expenses	Covered	Covered	X	Covered	Covered	Covered
Daily Cash	800-4500, If Hospitalisation exceeds 48 hrs for share accommodation	800-4800, If Hospitalisation exceeds 48 hrs for share accommodation	Rs.800/- per day	X	0.25% of SI or max 2000 per day (Share Accommodation)	Child : 500 - mx. 10 days (Reasonable accommodation)
Bonus	50% - 100%	50% - 100%	10% - 100%	20% - 100% (Guaranteed)	50% - 100%	10% - 100%
Convalescence	X	X	X	20000 (exceeding 10 days)	X	7500 (exceeding 10 days)
Vaccination	X	X	X	OPD : Up to 10000	Up to 5000	X
Maternity	X	X	X	X	X	Covered
Organ	Up to SI	Up to SI	10% of the sum insured or Rupees one lakh whichever is less	Up to SI	Up to SI	Up to SI

# Personal Health Insurance

Insured Name	DOB	Age	Relationship with Proposer	Sum Insured	HDFC ERGO (Optima Restore)	HDFC ERGO (Optima Secure)	STAR (FAMILY HEALTH OPTIMA)	ICICI Lombard (Health AdvantEdge PLUS)	Tata AIG (Medicare)	BAJAJ ALLIANZ (Health Guard - Gold)
	01/03/1996 10/12/1997 07/03/1968 22/11/1973	27 26 55 50	SELF SPOUSE FATHER MOTHER	20L	(multi-individual) 1 Year : 88,469 2 years : 1,79,817 3 years : 2,70,292	1 Year : 75,369 2 Years : 1,42,953 3 Years : 2,13,772 super secure - 2,17,092	-	-	1 Year : 53,648 2 Years : 1,09,035 3 Years : 1,58,310	-
	01/03/1996 10/12/1997	27 26	SELF SPOUSE	20L	1 Year : 24,088 2 Years : 44,562 3 Years : 65,036	1 Year : 23,933 2 Years : 44,593 3 Years : 65,544 super secure - 66,560	-	1 Year : 21,267 2 Years : 39,445 3 Years : 57,622	1 Year : 21,051 2 Years : 39,997 3 Years : 56,838	1 Year : 20,474 2 Years : 39,308 3 Years : 56,506
	22/11/1973 07/03/1968	55 50	SELF SPOUSE	20L	1 Year : 49,385 2 Years : 1,05,225 3 Years : 1,60,316	1 Year : 60,555 2 Years : 1,15,350 3 Years : 1,73,199 super secure - 1,75,888	-	1 Year : 47,494 2 Years : 87,964 3 Years : 1,28,434	1 Year : 42,064 2 Years : 88,279 3 Years : 1,29,409	1 Year : 49,974 2 Years : 1,11,354 3 Years : 1,67,454

Road Ambulance	2000 per hospitalization	Up to SI	Upto Rs. 750/- per hospitalization and overall limit of Rs. 1500/- per policy period	1%, max. 10000 per policy	3000 per policy	20000 per policy
Modern Treatments	Covered	Covered	As per chart	Covered after 2 years upto SI	Covered	50% of Sum insured or 5 lacs whichever is lower
Domiciliary	Up to SI	Up to SI	for period exceeding three days	Up to SI	Up to SI	X
Air Ambulance	Up to 2.5L (applicable for Basic Sum Insured above 5L)	Up to 5,00,000	Up to 10% of the Sum Insured	Up to SI	X	X

# Personal Health Insurance

Insured Name	DOB	Age	Relationship with Proposer	Sum Insured	HDFC ERGO (Optima Restore)	HDFC ERGO (Optima Secure)	STAR (FAMILY HEALTH OPTIMA)	ICICI Lombard (Health AdvantEdge PLUS)	Tata AIG (Medicare)	BAJAJ ALLIANZ (Health Guard - Gold)
	01/03/1996 10/12/1997 07/03/1968 22/11/1973	27 26 55 50	SELF SPOUSE FATHER MOTHER	20L	(multi-individual) 1 Year : 88,469 2 years : 1,79,817 3 years : 2,70,292	1 Year : 75,369 2 Years : 1,42,953 3 Years : 2,13,772 super secure - 2,17,092	-	-	1 Year : 53,648 2 Years : 1,09,035 3 Years : 1,58,310	-
	01/03/1996 10/12/1997	27 26	SELF SPOUSE	20L	1 Year : 24,088 2 Years : 44,562 3 Years : 65,036	1 Year : 23,933 2 Years : 44,593 3 Years : 65,544 super secure - 66,560	-	1 Year : 21,267 2 Years : 39,445 3 Years : 57,622	1 Year : 21,051 2 Years : 39,997 3 Years : 56,838	1 Year : 20,474 2 Years : 39,308 3 Years : 56,506
	22/11/1973 07/03/1968	55 50	SELF SPOUSE	20L	1 Year : 49,385 2 Years : 1,05,225 3 Years : 1,60,316	1 Year : 60,555 2 Years : 1,15,350 3 Years : 1,73,199 super secure - 1,75,888	-	1 Year : 47,494 2 Years : 87,964 3 Years : 1,28,434	1 Year : 42,064 2 Years : 88,279 3 Years : 1,29,409	1 Year : 49,974 2 Years : 1,11,354 3 Years : 1,67,454

Travel	X	X	Upto 5,000/-	X	Up to 20000	X
Hearing AID	X	X	x	X	Up to 10000	X
Cataract	Up to SI	Up to SI	Up to 50,000/- per eye Up to 75,000/- per policy period	Up to SI	Up to SI	20% SI per eye max. Up to 1L
AYUSH	X	Covered	Up to Rs.15,000/-	Up to SI	Covered	Up to 20000
Room	Any Room	Any Room	Single Standard A/C Room	Any Room	Any Room	Single private AC
Restore	Unlimited (same illness & any illness)	Unlimited (same illness & any illness)	3 times at 100% each time (any illness but not same illness)	100% (same illness & any illness)	100% (any illness but not same illness)	100% (any illness but not same illness)
Domestic & International Emergency Assistance Services	X	X	Emergency Domestic Medical Evacuation Rs.7,500/-	X	Global Cover	X
Second medical opinion	X	X	Available	Teleconsultations available	X	X
Consumables	Add on cover (Protector rider) 68 items covered	Add on cover (Protector rider) 68 items covered	x	Add on cover (Claim protector) 68 items covered	No riders available For consumables - Annexure – 1 List 1 as Optional Items	No riders available 68 items covered
PED Waiting Period	36 months	36 months	48 months	24 months	36 months	36 months
Claim Complaints ratio	0.08%	0.08%	0.29%	0.09%	0.10%	0.02%
Blog reviews	Punctual, fast claim service and easily approachable. Wide range of network hospital	-	-	Clarity given about the products, suggests plans as per one's need. Quick support and service by representative	-	Speedy customer service, fast claim settlement even in times of COVID-19, excellent cashless claim service.

# Personal Health Insurance

Insured Name	DOB	Age	Relationship with Proposer	Sum Insured	HDFC ERGO (Optima Restore)	HDFC ERGO (Optima Secure)	STAR (FAMILY HEALTH OPTIMA)	ICICI Lombard (Health AdvantEdge PLUS)	Tata AIG (Medicare)	BAJAJ ALLIANZ (Health Guard - Gold)
	01/03/1996 10/12/1997 07/03/1968 22/11/1973	27 26 55 50	SELF SPOUSE FATHER MOTHER	20L	(multi-individual) 1 Year : 88,469 2 years : 1,79,817 3 years : 2,70,292	1 Year : 75,369 2 Years : 1,42,953 3 Years : 2,13,772 super secure - 2,17,092	-	-	1 Year : 53,648 2 Years : 1,09,035 3 Years : 1,58,310	-
	01/03/1996 10/12/1997	27 26	SELF SPOUSE	20L	1 Year : 24,088 2 Years : 44,562 3 Years : 65,036	1 Year : 23,933 2 Years : 44,593 3 Years : 65,544 super secure - 66,560	-	1 Year : 21,267 2 Years : 39,445 3 Years : 57,622	1 Year : 21,051 2 Years : 39,997 3 Years : 56,838	1 Year : 20,474 2 Years : 39,308 3 Years : 56,506
	22/11/1973 07/03/1968	55 50	SELF SPOUSE	20L	1 Year : 49,385 2 Years : 1,05,225 3 Years : 1,60,316	1 Year : 60,555 2 Years : 1,15,350 3 Years : 1,73,199 super secure - 1,75,888	-	1 Year : 47,494 2 Years : 87,964 3 Years : 1,28,434	1 Year : 42,064 2 Years : 88,279 3 Years : 1,29,409	1 Year : 49,974 2 Years : 1,11,354 3 Years : 1,67,454
						(1) 2x Coverage from day 1st for 1 & 2 years policy (2) 3x Coverage from day 1st for 3 years policy This above points are for super secure only Restoration triggers from 1st claim  Protect benefit	-	Anywhere cashless claim for preplanned hospitalization	-	-

# Personal Accident Insurance

## ❑ Meaning & importance

- ✓ Personal Accident Insurance financially protects an earning person against death or serious injuries as per the terms of the Insurance.
- ✓ Cost-efficient plan that covers disabilities, death or injuries due to all types of accidents, not just vehicular accidents.
- ✓ Purpose of having Personal Accident Insurance over and above Term Plan and Health Insurance:
  - Additional life cover – Limitation on term plan basis the income levels
  - Loss of Income Benefit
  - Fixed Premium amount till a long time period.
  - Lumpsum benefit on disability/death.
  - No Claim benefits of Health Insurance plan can remain intact if injury claims are raised under this plan.

# Personal Accident Insurance

- ❑ Ways to reduce costs with better terms and convenient claim settlement
- ✓ Family Personal Accident plan should be preferred to reduce cumulative premium amounts within the family.
- ✓ Add on covers such as Accidental Hospitalization, Air Ambulance Cover, Child's Education Benefit, Loan Protector Cover, etc. should be included as they are relatively economical.
- ✓ Adequate amount should be covered depending upon the income as per the ITR of the individual.
- ✓ Plan with best value for money should be compared and selected.

# Business Insurance - Workmen Compensation Insurance

## □ Meaning & importance

- ✓ Workmen Compensation Insurance is a professional policy that insures any legal liability that may arise to the employer to which Employees' State Insurance Act (ESI Act) applies towards an employee.
- ✓ The ESI Act applies to all establishments employing more than 20 persons. However, establishments not covered under ESI Act can also avail benefit of this plan.
- ✓ As per the Workmen's Compensation Act, 1923 an employer is liable to pay compensation to a worker injured by an accident if all the three conditions are met:
  - (1) arises out of (i.e. while engaged in work), and;
  - (2) the course of his employment (i.e. during working hours), and;
  - (3) the worker is disabled as a result of such injury.

# Business Insurance - Workmen Compensation Insurance

## ❑ Meaning & importance

- ✓ It provides compensation to the employee for any injury incurred due to an accident or disease during employment or disability (partial or total) or death of its employee during the course of employment liable as per the Act.
- ✓ However, accidents occurring at places not specified as the places of employment or on account of a war or similar situation shall not be covered under this Insurance. Injuries due to self-harm or under the influence of alcohol/drugs shall also be excluded.
- ✓ It brings peace of mind and provides substantial financial protection to the employer in the present times of increasing legal awareness for employee well-being.

# Business Insurance - Workmen Compensation Insurance

- ❑ Ways to reduce costs with better terms and convenient claim settlement
- ✓ Total employee strength and risk location should be correctly disclosed at the time of seeking the Insurance with bifurcation for field job employees.
- ✓ Add on covers such as Terrorism cover, Occupational diseases, contractor coverage and medical expenses shall be included.
- ✓ Compensation is payable as per the terms of payment applicable under the Act on account of happening of the particular event (disability, death, etc.)

# Business Insurance - Workmen Compensation Insurance

- ❑ Ways to reduce costs with better terms and convenient claim settlement
- ✓ Economical means to obtain health treatment coverage for accidents as compared to personal health insurance plans for the workmen.
- ✓ Specific procedure and documentation for the claim processing shall be followed as per the rules of the policy.
- ✓ Appropriate records and documentation needs to be maintained by the employer for the number of employees, wages, period of employment, issuance of policy, etc.

# Business Insurance – Group Health Insurance

## □ Meaning & importance

- ✓ Group health insurance provides medical coverage to members of an organization or employees of a company.
- ✓ It covers the cost of medical treatments incurred during hospitalization as a result of disability or illness regardless of their age without any physical check-up.
- ✓ It provides the cover to the employee without any costs to be borne by him/her which boosts the morale and loyalty towards the employer – essential non-monetary benefit to retain quality talent in current competitive environment.
- ✓ Economical means of obtaining the health cover for the employees as compared to buying personal health insurance policies as the insurer spreads the risk across a group.

# Business Insurance – Group Health Insurance

- ❑ Ways to reduce costs with better terms and convenient claim settlement
- ✓ It should be ensured that all employees are covered to avoid under insurance as per policy terms & conditions.
- ✓ There should be no capping of room rent, there should be no sub limits in the disease coverage and co-pay shall be nil.
- ✓ If an employee joins or leaves the firm during the policy period, midweek endorsement should be completed appropriately.

# Business Insurance – Group Health Insurance

- ❑ Ways to reduce costs with better terms and convenient claim settlement
- ✓ Add-on coverages should be obtained and smaller claim amounts should be avoided for better discounts on policy renewals.
- ✓ The employee should be well aware of the policy features as the claim is filed and paid to the employee directly.

# Other General Insurances

- Liability Insurance
- Burglary Insurance
- Marine Insurance
- Travel Insurance
- Cyber Safe Insurance
- Pet Dog Insurance

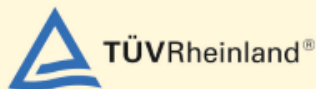
# Disclaimer

This Presentation contains personal views of the Speakers Mr. Daxesh Kothari & CA. Rajit Kothari as well as the panelists in the panel discussion on the respective subjects. The speakers, panelists, and the company Ashutosh Financial Services P. Ltd. does not purport give any professional investment advice. Financial Products are subject to related risks and one should read the offer documents carefully before acting on it.

This Presentation may contain references, wherever possible, website links, regulations or other policy materials. The information provided, is only intended to be a general summary. All information in this presentation, including charts, examples and other website references, may be used for any purpose only after appropriate professional advice.

# Thank You...

We are an ISO 9001 : 2015 certified company



**ASHUTOSH FINANCIAL SERVICES PVT. LTD.**

| RAJKOT | AHMEDABAD | MUMBAI

[www.ashutoshfinserv.com](http://www.ashutoshfinserv.com)



[ashutoshfinserv](https://www.youtube.com/ashutoshfinserv)

## OUR SERVICES

### INVESTMENT SERVICES



| **Mutual Funds | PMS | AIF | Unlisted Shares**

| **Foreign Equity | Bonds | FDs | Precious Metals**

| Email: [relationship@ashutoshfinserv.com](mailto:relationship@ashutoshfinserv.com) | Mo.: +91 73835 30919 / +91 93773 35959

### INSURANCE SERVICES - ASHUTOSH INSURANCE BROKERS LLP



| **Insurance for your Life, Health, Assets & Liabilities**

| **Retirement Planning | Investment through Life Insurance**

| Email: [rm.insurance@ashutoshfinserv.com](mailto:rm.insurance@ashutoshfinserv.com) | Mo.: +91 70438 93388 / +91 92278 96918

### NRI SERVICES



| **Investments | Indian Income Tax & Estate Planning**

| **Insurance | FEMA Regulations | Foreign Tax Compliance**

| Email: [nris2@ashutoshfinserv.com](mailto:nris2@ashutoshfinserv.com) | Mo.: +91 70435 93388 / +91 72288 48181

### INCOME TAX & ESTATE PLANING SERVICES



| **Advisory & Compliance for :**

| **Income Tax | Estate Planning | Endowments & Charities**

| Email: [lawserve@ashutoshfinserv.com](mailto:lawserve@ashutoshfinserv.com) | Mo.: +91 93769 62244 / +91 70435 24242

# : PANEL DISCUSSION :

## : Panelists for Life Insurance :

- Mr. Shailesh Kalariya  
Aditya Birla Sunlife Insurance Co. Ltd.
- Mr. Manoj Kalyani  
HDFC Life Insurance Co. Ltd.
- Mr. Yuvrajsinh Zala  
Max Life Insurance Co. Ltd.
- Ms. Anika Sanghvi  
Tata AIA Life Insurance Co. Ltd.

## : Panelists General Insurance :

- Mr. Ravindra Parekh  
Chola MS General Insurance Co. Ltd.
- Mr. Manish Bhambhani  
Go digit General Insurance Co. Ltd.
- Mr. Ramesh Thakor  
HDFC ERGO General Insurance Co. Ltd.
- Mr. Bhavesh Ranpara  
ICICI Lombard General Insu. Co. Ltd.

## : Moderators :

- Mr. Daxesh Kothari
- CA. Rajit Kothari