

In the News

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You can gift an insurance cover this Diwali

Instead of buying fire-crackers or an expensive gadget, gift yourself and your family a life or health insurance policy, a retirement or savings plan that will be cherished not just for the short-term but also for the future



Ashish Vohra

DIWALI, THE FESTIVAL of lights, is a precursor to welcoming Lakshmi—the goddess of wealth. Traditionally, it has been synonymous with celebrations, laughter, family gatherings, sweets, gifts, fire-crackers and a rush for purchase of gold and jewellery especially as an investment for long term, and marking significance of the Goddess Lakshmi.

Emotions are often not linked with the rupee value of the gift but the thought which

goes behind it, a gesture which shows your affection to your loved ones and your concern for their well-being. Keeping in mind the tradition of gifting, stirring the right emotions for your loved ones and showing your gratification by providing them long-term security, the choice of gifting them an insurance plan vis-à-vis jewellery, clothing or crackers is yours.

We light lamps to eliminate the darkness around us but can we also dispel the ignorance surrounding us regarding smarter investment options, which provide a greater sense of security to your family and bring around beaming smiles? It is time when you thought differently about gifting and your loved ones.

Life insurance

Life can take unexpected turns at any stage. Imagine a day when you leave for work, and do not come back home due to a mishap. Your family will try to reach out to you but have you prepared them to deal with the difficult times ahead? Insurance is the best gift you can give your spouse and children for Diwali. Ensure that they are financially secure even when you are not around through an insurance plan which offers a high coverage against smaller annual premiums—a plan which purely defines the essence of insurance as protection for family.

Savings plan for children

Times will change and so will the needs; a gift to your child today will not be relevant in the future. Gifting gold is considered auspicious during the festival and even financial

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ILLUSTRATION: SHYAM

savings like fixed deposits are often made in this season. But will the volatility in gold prices and fixed deposit return rates assure your child that the rising education costs will be borne during difficult times. The cost of a medical, engineering or MBA education would have at least quadrupled by the time your child grows. Therefore, be wise today to gift your child a savings plan that takes care of his/her educational needs with guarantees and more importantly, waives off premium payments under the plan

in case of the unfortunate death of the guardian/parent. It is also a wise decision to continue paying your premiums on plans that promise higher returns and are guaranteed given the volatile market movements and falling interest rate scenario.

Health insurance

We all want to be healthy, yet there are times hospitalisation becomes unavoidable. Instead of blowing up your savings on fire-

crackers, secure your and family's health. Although emergencies in life cannot be avoided, a smart financial planner is always prepared for these events too. Ensure that your family is shielded against the strain on your finances due to illnesses, medical expenses, hospitalisation costs, loss of income due to disability or illness. The increasing cost of hospitalisation makes adding a health cover rider to your insurance policy worth a million at a very nominal cost.

Retirement planning

Diwali is also a time to clean up your investment portfolio and bring in financial discipline to your savings. Many of us are guilty of breaking off our savings for an instant gratification—a second car, a luxury vacation or just another brand new gadget. Insurance, other than securing the unforeseen contingencies also brings in financial discipline. It helps in weighing the importance of various situations where the loved ones could be helpless and would fall back on you for respite. For e.g., an investment in a retirement plan today will help in securing your spouse and you when you no longer have your regular earnings.

Let us begin the tradition of financial planning coupled with protection for the family this Diwali. Light up your family's financial future and make sure your gift to them is cherished not just for the short-term but also for the unforeseen future.

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