



QUERY CORNER

INSURANCE

AMIT SURI

CFP, AUM FINANCIAL PLANNERS

► OUR EXPERT OFFERS TIPS ON THE BEST INSURANCE PRODUCTS AVAILABLE IN THE MARKET. EMAIL TO etqueryins@indiatimes.com



Q We are a 32-year-old couple with a 5-year-old daughter. Both me and my husband have jobs in the private sector. Put together, we have a total medical insurance cover (from one employer) of Rs 2 lakh for the family. Both of us are not eligible for pension, provident fund or gratuity from our employers. Both of us are in good health. Looking at this scenario, can you please suggest what should be the adequate insurance cover for us?

BHAWANA

A I would advise you to buy a good mediclaim policy for you and your family even if you have medical insurance by your employer. Your health insurance from your employer is subject to your employment with the company and will cease with change in employer or even a change in the company's policy on medical insurance. Furthermore, any adverse conditions in your health might render you incapable for the job as well as the said medical coverage, too. In addition to this, I would recommend you should also buy life insurance coverage for both of you individually. As per a simple rule of thumb calculations, your insurance coverage should be 8-10 times your annual income.

Q I am a student and my age is 18 years. Currently, I am pursuing my first year of BBA from IIPM, Mumbai. I am also doing a part-time job, along with my studies. On account of this, I can manage to save Rs 5,000-10,000 per month. As of now, I have zero insurance. Do

I need insurance at this age, as I have no dependants and my parents have insured themselves. If yes, what product of insurance should I buy?

ISHAN

A At the age of 18, you could start with buying an accidental policy and a health insurance cover for yourself. As you gradually start earning, you should be buying adequate life insurance coverage for yourself. In case you have taken an education loan for your studies or plan to take one, I would recommend you to buy a life Insurance, equivalent to loan amount.

Q I, along with my wife and two kids aged 12 years and 8 years, have been living in a suburban housing society in Mumbai for the past 10 years. Though the society has purchased a property insurance, is there a need to buy a separate house insurance? If yes, what kind of insurance should I buy and what is the cost? What all will such a policy cover?

RAMESH

A An apartment should be insured for the current market value of the apartment. Generally, most housing societies get the insurance for just the building costs to minimise the premiums. The first thing you can do is to check the scope of coverage from your society. If the same is inadequately insured, then you should get the same insured yourself. Furthermore, in your own insurance policy, you can get your household effects also covered by paying additional premiums.