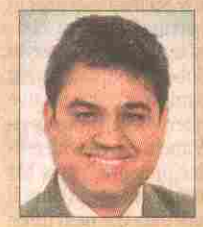
QUERY CORNER
INSURANCE



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 I want to insure my car and my house from theft and earthquake. Is there a combined policy? Or do I have to take separate policies for house and car?

– ARUN

A Car and house policies are different insurance packages. You will need to buy a comprehensive car policy and a separate householder's policy. A comprehensive car insurance policy covers theft, third party liability and own damage coverage. A householder's policy includes: (1) Fire & allied perils (including earthquake), (2) Burglary & theft, (3) Jewellery & precious items, (4) Plates and glasses, (5) Breakdown of domestic appliances, (6) Electronic equipment, (7) Pedal cycles, (8) Baggage insurance, (9) Personal accident, and (10) Public liability.

Q I had taken a 25-year term plan when I was 28. Now I realise that this plan will end when I turn 53. I will need insurance the beyond 55 years. What should I do? Can the company increase my term period?

– ES JOSEPH

A Most life insurance companies provide term insurance coverage for up to 30 years. Moreover as the age and income advances with the time, your insurance needs will also go up. You should be buying more insurance coverage that can cover you up to an age of 75 years. You can also buy critical illness plans which gives you a straight coverage up to 75 years along with critical diseases.

Q I am 25 and planning to take a term insurance policy for Rs 50 lakh. Would it be wise to take the entire policy from one company or does it make more sense to diversify my risk by taking two policies of Rs 25 lakh each from two companies?

– K NAGESH

A It's wiser to buy the entire Rs 50 lakh term insurance from one company instead of going for more than one company. You will find that in many companies premium for a Rs 50 lakh cover will be lesser than a 25 lakh cover. Further, at the time of any claim, you or your legal heirs, will have to approach different insurers if you choose to buy policies from more than one company. You must also bare in mind that you should not discontinue your old policies if you are buying new policies just to minimise the premiums. Even if a new company offer you a fresh policy for lesser premium, do not discontinue the old policies, instead just add the new one.

Q I am 40 and suffer from blood pressure. I have not yet bought a life insurance cover for me or for my spouse. Will any insurance company give me a cover? What will be the extra charges?

– RAMCHANDAR

A Insurance companies will give you the required amount of life insurance coverage. You would need to approach a life insurance company and on the basis of medical examination and tests, if any, the company will assess the risk and might charge an extra premium for the health condition.