

Datacomp Web Technologies (I) Pvt. Ltd

Software for LIC Agents

C-205/206, Crystal Plaza,

New Link Road, Andheri(W), Mumbai 400 053, India

Tel : 4060 1000 Fax : 4060 1226

email : sales@datacompwebtech.com

Insurance Counselor Presentation for Atul Sharma

Date : 24/04/2008

As the Bread Winner of the family, you are the main resource for providing a smooth and comfortable life to all your beloved in the family. It is your moral responsibility to ensure a mechanism of continuity of benefits to your family for such a period till they are dependant on your income. The financial requirements of your family can be classified into the following categories :-

Basic Family needs

Your family need to survive and carry out their life in the normal way they are used to in your presence. Things like the home, food, clothes, daily needs etc.

Lifestyle maintenance needs

You provide certain amenities to your family such as club membership, dining out, yearly vacation, tours etc., which has become a part of their life style. You would like to provide those amenities even in your absence.

Education Expenses

You will have to provide for the education for your children, which involve expenses like Admission fees, tuition fees, books and periodicals etc.

Loan Repayments

Everyone needs to take loans to satisfy some or the other financial requirements. You take the loan and also the responsibility to repay it, based on the assumption of continuance of your life. But in the unhappy event of your death your family may get saddled with the burden of repayment of those loans

Provision for Unforeseen / Emergency expenses

Even after all planning and provisioning there will be instances, which will involve unexpected outflow of money. Thus it is quite prudent to allocate some funds for such unforeseen expenses.

Provision for Final Expenses

Even after the death of the bread winner the family has to bear immediate expenses in terms of certain customs and traditions. In some of our societies the final rituals are quite expensive and puts a lot burden.

Provision for Medical Expenses

Health of a person is one of his most important assets. Incase of any major illness involving hospitalisation and other medication the expenses can be extremely high.

Provision for Accident / Disability

Everyone is prone to risk of an accident. An accident can lead to partial or permanent disability. A bread winner hospitalised due to an accident leads to stoppage of income as well as adds a financial drain on the family in terms of medical expenses.

Dreams and Aspirations

In addition to these you may have aspirations and dreams about yourself and your family, children etc. You don't want these dreams to be shattered in your absence.

Provision for Pension

Insurance provides various attractive schemes to enable you to secure your retired life. You may want to plan such an asset which will start giving you regular income for lifetime on your retirement

Datacomp Web Technologies (I) Pvt. Ltd

Software for LIC Agents

C-205/206, Crystal Plaza,

New Link Road, Andheri(W), Mumbai 400 053, India

Tel : 4060 1000 Fax : 4060 1226

email : sales@datacompwebtech.com

Insurance Counselor Presentation for Atul Sharma

Needs Estimation Sheet

Your personal and financial commitments data has been estimated as below :-

Personal Facts

Present Age : 44 Years Proposed Retirement Age : 56 Years

No. of years you intent to support the family with your income 12 Years

Financial Commitments

Family Responsibilities

Basic Family Needs	Rs. 300000 p.a. for next 12 years inflating @ 5.5 %
Lifestyle Maintenance Needs	Rs. 125000 p.a. for next 12 years inflating @ 5.5 %
Education Expenses of Anuja	Rs. 150000 p.a. for next 12 years inflating @ 5.5 %
Education Expenses of Ashish	Rs. 200000 p.a. for next 10 years inflating @ 5.5 %

Liabilities

Repayment of House Loan	Rs. 1200000 to be repaid in the next 13 years
Repayment of Running Credit	Rs. 50000

Provisions

Provision for Emergency / Unforeseen conti	Rs. 50000
Provision for Final expenses	Rs. 10000
Pension on retirement	Rs. 50000 p.m. (Future value of this amount would be Rs.90105 after 12 years)

Dreams and Aspirations

Anuja's Marriage

This dream has to be fulfilled after 15 years. If this dream was to be fulfilled today, you will need an amount of Rs. 500000. This works out to 1058046 after 15 years.

Ashish's Marriage

This dream has to be fulfilled after 16 years. If this dream was to be fulfilled today, you will need an amount of Rs. 400000. This works out to 892991 after 16 years.

Datacomp Web Technologies (I) Pvt. Ltd

Software for LIC Agents

C-205/206, Crystal Plaza,

New Link Road, Andheri(W), Mumbai 400 053, India

Tel : 4060 1000 Fax : 4060 1226

email : sales@datacompwebtech.com

Insurance Counselor Presentation for Atul Sharma

Itemwise Insurance Needs

Based on the above estimation, it has been analysed that these needs can be protected through insurance. Then quantum of insurance protection you need to secure your goals and responsibilities are enumerated below :-

Item No.	Risk / Concern to be covered	Insurance Needed	
		Amount	Period (in years)
1	Basic Family Needs	3508055	12 years
2	Lifestyle Maintenance Needs	1461689	12 years
3	Education Expenses of Anuja	1754027	12 years
4	Education Expenses of Ashish	1958077	10 years
5	Repayment of House Loan	1200000	13 years
6	Anuja's Marriage	467975	15 years
7	Ashish's Marriage	372614	16 years
8	Provision for Emergency / Unforeseen contingencies	50000	Whole Life
9	Repayment of Running Credit	50000	Whole Life
10	Provision for Final expenses	10000	Whole Life

* The Risk Cover required will increase every year based on estimated Inflation rate.

10832437

In addition to above, the following General Insurance Policies are advised to be taken every year :

Sr.No.	Insurance Type	Amount	
11	Protection against Hospitalisation	500000	Every Year
12	Protection against Accident calamity	7500000	Every Year

8000000

The Pension asked as of today is Rs 50000 per month. This amount when inflated at a rate of Rs 5.50 % becomes Rs 90105 per month after 12 years. Thus, the pension plan should provide for this much pension amount.

Datacomp Web Technologies (I) Pvt. Ltd

Software for LIC Agents

C-205/206, Crystal Plaza,

New Link Road, Andheri(W), Mumbai 400 053, India

Tel : 4060 1000 Fax : 4060 1226

email : sales@datacompwebtech.com

Insurance Counselor Presentation for Atul Sharma

Funds Utilization Table

The objective of insurance is to protect your family from the financial burden in the unfortunate event of your death. The Insurance being recommended will address all the needs that have been described in the preceding pages. The following table below gives the map of how the insurance claim amount will be utilized by your family :-

Total Minimum Insurance Claim Amount	Rs. 10832437
Less : Immediate Family Needs	Rs. 1260000
Paying off Loans and Liabilities	1200000
Paying Off Running Credit	50000
Final Expenses	10000
Less : Set aside for Emergency Expenses	Rs. 50000
Balance Amount with Family	Rs. 9522437

Year	Item No. of Risk	Opening Balance	Cash Needed	Closing Balance	Int. On Balance	Balance c/f
1	1,2,3,4,6,7	9522437	2726037	6796400	407784	7204184
2	1,2,3,4	7204184	817625	6386559	383194	6769753
3	1,2,3,4	6769753	862594	5907159	354430	6261589
4	1,2,3,4	6261589	910036	5351553	321093	5672646
5	1,2,3,4	5672646	960089	4712557	282753	4995310
6	1,2,3,4	4995310	1012894	3982416	238945	4221361
7	1,2,3,4	4221361	1068603	3152758	189165	3341923
8	1,2,3,4	3341923	1127377	2214546	132873	2347419
9	1,2,3,4	2347419	1189382	1158037	69482	1227519
10	1,2,3,4	1227519	1254798	-27279	-1637	-28916
11	1,2,3	-28916	982183	-1011099	-60666	-1071765
12	1,2,3	-1071765	1036204	-2107969	-126478	-2234447