

You Must Get Yourself Personal Accident Cover



MUKESH KUMAR
Executive Director, HDFC ERGO General Insurance.

« INSURANCE

With rising number of vehicles on the road, falling victim to accidents is possible even to the safest of drivers. In such a situation you have to pay for the Medical expenses that can run very high and be difficult to deal with. You can manage such problems by taking a Personal Accident cover. It will cover you, your spouse and two dependent children.

While most people have a general understanding of the Life Insurance and Health Insurance products, they are generally less informed when it comes to Personal Accident Insurance. A Life Insurance policy covers the risk of death and a Health Insurance policy acts as a cushion against financial burden in the event of medical hospitalization. Then what is a Personal Accident Insurance policy for?

Imagine a situation in which someone is rendered physically disabled following an accident. A Term Insurance is of use only in death and a Health Insurance plan can help in case of hospitalization. Some of these policies also offer accidental riders, but these riders are not comprehensive. The consequences of meeting with an accident could be serious, like death or pause in income, which could last from a few weeks, months to even years. What could be of help in such situations is a Personal Accident Insurance Policy.

A Personal Accident policy also covers the policyholder in the event of accidental death, accidental disability and several other situations. This product ensures the financial stability for an individual and his family in the event of an accident, thus plugging a major gap in one's insurance portfolio.

Personal accident insurance offers coverage for the following:

- Covers bodily injury caused by accident



- Covers permanent total disability and permanent partial disability
- Medical expenses for treatment of accidental injury
- Double indemnity of death while travelling in public transport
- Daily hospital cash

A Personal Accident Insurance is important for everyone, but it is more relevant for salaried individuals living in urban areas. Typically, salaried individual travel from home-to-office and office-to-home, every day, for months and years. In such lifestyle, chances of death or getting hospitalized for some illness are lower than the chances of meeting an accident. Despite all possible precautions accidents do occur. This may result into disablement or loss of limbs or sometimes even death. In such situation, an Accidental Insurance policy is as important as a Life Insurance and Health Insurance.

You can also apply for Personal Accident Insurance online. Just visit the insurer's website and use their calculator to get a quote. You can view the quote and choose from the plans available. Fill up the form with relevant details and submit it online. Your policy would be generated in no time after making premium payments.

Coverage under this policy is available for a period of twelve months after which it must be renewed. You can do the renewal online itself, which saves a lot of time and efforts. Personal accident insurance comes to the rescue particularly in situations where an earning member of the family becomes injured and wife and dependent children have to be supported. In case of a serious accident the policy will pay out to meet heavy medical expenses. How will the family cope otherwise? The benefits of this policy is available when the person is inside the country and also when living abroad.

The best part is that it costs so less that one can afford it without any major drain on his pocket. The cost of a standard Personal Accident Insurance with a cover of Rs 15 lakh costs less than Rs 3,000 per year. And the premium on Personal Accident Policy does not depend on age. So whether you are 25-year old or 50-year old, the premium would be the same. The premium on Personal Accident Insurance policy depends on one's working conditions and nature of his job.

'HOUSING FOR ALL' CAN CHANGE REAL ESTATE SECTOR TRENDS



MONA JALOTA
is Vice President - Strategies & Operation, Coldwell Banker India

The 'New' development Plan:

For the 75th Anniversary of India's independence, the new government has come up with the 'Housing for All' 2022 Scheme which aims at providing affordable homes for every Indian while creating better connectivity through developed infrastructure. The Union Budget 2015-16 has allocated Rs. 14,000 Crore for the 'Housing for All' programme which includes Rs. 10,000 Crore for 'Indira Awas Yojana'.

The Central Government together with the State Governments and according to the plan, will build close to 4 Crore homes in rural India and 6 Crore homes in the urban area to meet the housing demands of the increasing population. For this, the government has also announced the increase in FSI from current 2.5 to 8 which will help in decongesting the cities, though even with the increase; one may see it as low when compared with other urban cities like Manhattan and New York, both of which have an FSI of 15, while Singapore has FSI of 13.

The 'Focus' on Mumbai:

In the city of Mumbai, the government plans to renovate Bandra Kurla Complex into a smart city with International Finance Center while also drawing projects to improve connectivity to the region by 2022. The metropolis area of Thane is too under inspection for developing it into a smart city on the lines of BKC.

As per the government plans of providing homes under the scheme of 'Housing for All', there is a demand of 16 Lakh homes in Mumbai which may even go up after demand assessment through baseline survey for housing and identify resource requirements. Therefore, the periphery of Mumbai will now witness further expansion and development to create affordable housing given the extremely high land rates in the city. This is expected to be augmented by developing satellite cities by 2022.

Connectivity in terms of railways and roadways or Mass Rapid Transport will also be focused on considering Mumbai being the financial and commercial capital of India; most of the jobs generating activities are based here in the main Mumbai Island. Therefore a seamless inflow and outflow of human resource will be focused on which is essentially, a need of the hour.

The 'Hopes' of every Indian:

A large part of the Indian population, today, is residing in slums or on streets even though housing is the most important need



for any individual. While the 'Housing for All' scheme has definitely raised hopes of every Indian with its special focus on the EWS (Economically Weaker Section), homes for everyone is still a distant dream.

The 'Hurdles' in the roadway:

The Government's scheme of 'Housing for All' has brought the focus on low income groups; there is still a long way to successfully complete this grand task. While plan-

ning and allocation of funds is imperative, there are a large number of hurdles in this venture as well. Prima facie, it is important for the Central Government to work in co-ordination with all state governments, government departments and ministries to ensure a strict implementation and proper execution of this initiative. Other shortcomings like insufficient land in Mumbai, clear title, building homes with connectivity to sanitation and 24/7 water and electricity

supply cannot be ignored. For the state of Maharashtra, there is a requirement of 50 lakh new housing units by 2022 to meet the rapid rate of urbanization. The 'Housing for All' is a big step towards development but there are many a slip between a cup and a lip.

The 'Hopeful' India by 2022:

'Housing for All' program by the government is aimed not just at providing affordable homes to one and all, under this policy, the government will also largely contribute in providing the basic infrastructure in rural and under developed areas. With the much needed support from the state governments, the realty and infrastructure industry will now expect to have ease of approval process, enhance transportation and other infrastructural advancement by creating developed satellite and smart cities.

Working hand in hand with the real estate private players through PPP model should be encouraged by the government as it will largely benefit and accelerate the course of action. Private companies' participation will stimulate entrepreneurs to expand business in other geographical regions by virtue of which there will be higher employment opportunities in rural areas and an increase in disposable income for the population at large. This will reduce urban migration while increasing demand for rural housing units and affordable homes.

The 'If possible' Aspect:

While focusing on infrastructural development, the government should also make possible the streamlining of policies for faster land acquisition to avoid project delays and tax benefits to real estate sector which can be passed down to the end users. The Ready Reckoner Rates that have been increased recently from 15-20%, the highest being 40% should also be streamlined with the market rates so that the end users do not feel the pinch, as it defeats the purpose of this policy completely. The government can also offer incentives to involve private players in developing affordable housing units or should undertake projects jointly with them.

The humungous project of 'Housing for All' should be monitored by government agencies to avoid any misuse of funding. Funds should be made available to the lower strata of the society through banks to ensure equitable distribution. While government is making sturdy efforts to settle the BPL Indian population through affordable houses and proper connectivity, an equal amount of focus should also be given to support facilities like water, sewage, gas lines, energy, communication etc.

The Government should give an industry status to the Real Estate sector to enable players to get better deals from other industries like cement and steel thus improving the cost control on over two major cost components of this industry.

Top 5 Mistakes Consumers Make While Managing Debt



ABHISHEK AGARWAL
is Co-founder and Director, Creditvidya

« PERSONAL FINANCE

With nearly everything readily available on credit these days, everybody has a debt pile to manage. But when debt is not handled carefully, it might have disastrous consequences and impacts your CIBIL score negatively. Once you have a bad credit history, it will mean you will not have access to credit when you really need it.

Here are some mistakes that you as a consumer need to avoid to manage your debt responsibly and keep your credit history intact.

Borrowing without a definite plan

With intense competition among lenders, one has access to easy credit. However, just because it is available does not mean that you have to avail of it. If you must take a loan or make a certain purchase with your credit card, make sure you have enough reason to do so and have a definite plan in place for the repayment.

The minimum payment trap

You think of your credit card as your best friend, but it can well turn into your worst enemy if you do not make timely repayments. You may think you have salvaged yourself by paying the minimum amount due on your outstanding amount, but you need to know that this payment only services the interest amount and does not reduce your principal amount borrowed. You therefore need to ensure that you pay off the outstanding amount within each billing cycle of your card or at least allocate the highest amount possible towards repayment.

Not looking at credit card and bank statements

These statements sent to you by your lenders portray a true picture of where you stand financially. You may think that you are keeping a check on your spends through your online transactions, but it's in your interest that you review these statements as well. This way you can not only see if you are keeping in good health financially, but can let your bank know in case of any discrepancies. This is also to ensure that your lenders submit the correct information about your loan accounts to the credit bureaus.

Borrowing from one source of debt to pay off another

When you find that you are unable to make a certain payment within the stipulated deadline, you may in a state of panic end up borrowing from one source of debt in order to pay off the one in question (for instance you may end up taking an expensive personal loan to pay off a credit card debt). Such kind of practices must be avoided at all costs as you will only dig up a bigger hole for yourself. You may instead consider speaking to your lender to provide you some temporary relief till you can arrange for the funds for repayment.

Eating into your emergency fund

When you find yourself unable to pay off a certain debt on time, you may be drawing solace from the fact that you have substantial emergency funds you can use to make this payment. However, this beats the very purpose of an "emergency" fund, which must instead be saved for a rainy day. It's a better idea to try to manage your money prudently and spend as less as possible in order to pay off your debt in hand.

That, having been said each debt pile is different and must be treated differently. However, avoiding these cardinal mistakes in debt management will ensure that there are no major pitfalls along the way.

Branding For The Future: From Promise To Action



PRATEEK N KUMAR
is CEO & Managing Director, NeoNiche Integrated

« MARKETING

The 80s and 90s were the decades when my generation was growing up attuned to song requests made on AIR by people from a non-descript town called "Jhumri Tilaya" and Lalitaji's pearls of wisdom on which washing powder made our cloths look whiter or how a particular Scooter brand was creating stronger images of stronger India as it was hard to miss on Sunday morning television along with "Ramayana" and "Mahabharata". We kept trying to save a particular character's girlfriend in the name of Video games.

Digital camera was still a distant dream to the ubiquitous Camera Rolls, X-Box and PlayStation were unheard of and life was about scarcity and limited choices.

But something remarkable happened in the 90s in India and became a buzzword we know today as "Economic liberalization" which opened the floodgates of breakthrough reforms for international trade and investment, deregulation, initiation of privatization, tax reforms, and inflation-controlling measures. The generation of ours saw a whole new world where globalization and technology advancement shaped the way we perceived and saw things like never before. Strategies, tactics and processes that just a decade ago reigned supreme, now look a little out of sync, when viewed through today's consumer perspective.

The changes have given rise to a whole new breed of Consumers. Consumption is no longer about available choices but getting what you want on your terms, at the time of your convenience and through your preferred channel. Today, branding is a function of media fragmentation. With more channels and newspapers reaching out to

diverse customer bases, it's harder for marketers to reach a truly mass audience.

The era of "one size fits all" and "rack listed services" are over, Brands today does not talk about tangible products but intangible experience that they create. One way communication has changed to one to one and one to many. Today's customer is more informed and advent of social media have changed them from user to influencers in true sense, Today the success of a brand lies in creating emotional connect with their TG. One which changes "brand promise" to "brand action". Changes taking place are dynamic and ongoing and these changes are impacting the "Brands" and the way they are interacting with their audiences. Branding for the future will be lot about moving away from the art of storytelling and into the art of story making. This means gathering tales from customers about how your brand has become a part of their true-life experiences. The hero of communication will not be the product but the customer who uses them; the future of branding belongs to storytellers who understand the hero's journey in the context of modern,

mobile life. The brand isn't the hero; it is an enabler of the customer's journey. Future of brands will require a lot of listening, in order to understand the challenges each customer faces, and customization, in order to meet those needs. Ultimately, it will be about the delivery of simplicity in an increasingly complex world.

The future like past will change the market conditions, technological

advances will be more profound, message saturation more intense, and new shopping habits will evolve further causing profound changes in the way organizations design, plan, and execute their brand messages. Whether the type of business is B2C or B2B, there will be number of trends that will be imposed depending on the target market, and will influence the way the brand is positioned.

Brands for the future will be more rational, will cease to be visual and

