

Stay protected



Ravindra Kumar gives tips to build a robust financial immunity amid all the uncertainties

All of us have adapted to our own sanitisation routines to protect ourselves and our loved ones, especially in the face of the ongoing pandemic. We are not only realising the importance of physical and mental immunity, but are also learning new lessons in financial immunity.

A survey by Swiss Re states that Covid-19 has significantly impacted financial stability with up to one out of three people feeling overwhelmed and unsure about their finances. The survey goes on to state that 60 per cent of the respondents felt that insurance helped to ease their stress and provide financial support during uncertain times, with 70 per cent saying their claims experience matched expectations.

Clearly, if you find yourself consumed with the thoughts of rising financial costs and overbearing financial responsibilities, know that you are not alone. Here are a few financial tips which should help you to allocate this anxiety and build a robust financial immunity.

Focus on self

It is common knowledge that increased levels of stress can lead to lowered physical and mental immunity. The key to maintaining a healthy immune system lies in the right lifestyle choices such as following a healthy diet and regular exercise. Similarly, the key to building financial immunity is by taking the right precautions towards protecting one's finances and creating a financial cushion to safeguard oneself and the family from

unnecessary stress, led by lifestyle choices or any unforeseen eventuality.

Hence, the first step is to take care of oneself, ward off unwanted panic and deliberate on concrete steps to build financial immunity.

Spend time with family

Families grow stronger and closer when they withstand challenges and adversities together. Therefore, it is important to stay closer to the people you love, who comfort you and who provide you the best advice related to life, business etc. Spending time with your loved ones keeps anxiety and stress at bay and, thus, keeping physical immunity unaffected in the long run. Spending more time doing fun activities with family and friends gets one into a better frame of mind, leading to a better handling of any situation.

Revisit financial plans

Given the onset of the larger economy, it is wise to revisit one's saving patterns and prioritise expenses. The thumb rule for the success of any financial plan is to first safeguard against the uncertainties of life and health as these eventualities could potentially wipe out one's savings of a lifetime. Address the shortcomings in your portfolio by diversifying with insurance and investment instruments, this way you can build the much-needed cushion of financial immunity for yourself and your family.

Insurance must

While focusing on financial planning, it is imperative to always have a life insurance plan in the portfolio that offers both life cover and critical illness

cover in a single product to safeguard the insured and the family from worries related to life and health. A dual protection plan will ensure the family takes farough the tough times along with a monetary safety net.

One can look for hybrid instruments that combine life cover with a critical illness cover as it provides financial assistance as a lump sum amount to take care of the treatment cost as well as loss of pay, if a critical illness is identified. In the survivor scenario, a dual protection insurance plan is a mix of two portfolios and offers a holistic protection cover.

Keep the nominee informed

It is indispensable to keep the nominee in the loop about the insurance policies that one holds, which needs to be done after the purchase of any insurance policy. By doing so, the family is aware of the policy bought and in the case of an unfortunate event, the nominee can claim the sum assured for which the insured has been making regular premium payments.

It has been noted in several cases that the insured has forgotten to keep the nominee informed, making their policies worth no more than a piece of paper in an emergency. Informing the nominee on the policies purchased helps the deceased family members to not struggle to find the policy information during emergencies. Remember, just like we are taking care of our health immunity, it is imperative that we pay equal attention to build a robust financial immunity to stay protected in uncertain times.

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