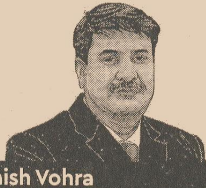


● YOUR QUERIES



Ashish Vohra

Claims are not rejected unless customers suppress critical information

● **What are the chances that my claims would be rejected in a money back plan?**

—Praveen Madhavan

Insurance claims are not rejected unless there has been suppression of critical information at the time of purchase of the policy by the customer. In case of early claim, i.e., where the person dies within two years of buying the policy or revival of policy, the insurance company will investigate and pay if the claim are genuine. The overall claims settlement ratio for the industry is upwards 93%.

● **I am planning to invest ₹50,000 for my 10-year old son's higher education. Should I invest in an insurance plan or Public Provident Fund (PPF)?**

—Alok Ranjan

While both investment options offer a fixed return, insurance plans offer the flexibility to invest in market-linked products. Investment in a guaranteed plan gives defined payouts at different milestones of your child's education. Also, on the unfortunate demise of the parent, the policy does not discontinue and the premiums are waived off by the insurance company with the benefit remaining intact for paying the education fee of the child in future.



However, this option is not available under PPF. You have an option of keeping your portfolio diversified, i.e., partly in insurance and partly in other financial instruments like PPF.

● **I have an insurance policy for 25 years. The company had sent a cheque after 10 years of the policy under the money back plan but I did not get the cheque. Now the policy is maturing. Can I now get the full amount and also the amount of the misplaced cheque?**

—Jitender Sharma

Rest assured, any unpaid amount will be paid to you by the insurance company at the time of payment of your maturity dues. For your safety, we recommend you write back to the company informing that the interim pay-out was not received by you.

● **My brother has a few insurance policies. He has been in the US for six years and does not have an Aadhaar number. What should he do now?**

—CK Manoj

As he is an NRI, payment will be made to him even in the absence of Aadhaar. However, he should ensure submission of NRI form to the insurance company to avoid any delay in benefit payments.

The writer is CEO, Reliance Nippon Life Insurance. Send your queries to fepersonalfinance@expressindia.com