

Benefits of saving in life insurance for women

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Women have played a central role in household finances in India. It is not uncommon for women to be called the 'money manager' of the house in Indian families.

While most women believe in saving, very few will actually buy life insurance for themselves or their family. However, with the increasing exposure and awareness through various channels, we are witnessing a significant change in the way women are opting for insurance and other investment instruments over fixed deposits.

Why women matter?

As more women step into the workforce and become breadwinners, there is a need to protect their income.

With changing trends, women are now moving towards financial liberation by exploring insurance and other financial instruments as a saving mechanism to augment their notion and habit of long-term savings.

Not only working women, but even housewives, single women, single mothers (whether widowed or divorced) need to be insured to ensure financial independence at various stages of life.



Cost effective

Traditionally, small savings have been the domain of women in India. However, access to market linked products like Unit Linked Insurance Plans (ULIPs) can help women not only save but also get better returns, while getting the protection of life insurance.

They can also save through traditional 'with profits' plans to meet their life stage goals like children's education, contribution towards buying a new home and saving up for their own retirement.

Covers life risk

Life insurance is an attractive tool that helps address major expenditure during one's lifetime and offers an additional benefit of lower/discounted premium rates for women in most products, which is especially in term and health plans.

Women can use different types of life insurance policies to mitigate this risk — whether it is pure term insurance or insurance with benefits.

Covers critical illness

A combination of comprehensive health insurance and a critical illness cover can give a good balance between pricing and coverage.

Treatment for such illnesses is not only lengthy and traumatic but expensive too, and involves a lot of lifestyle modifications for a woman.

This includes, giving up their job/profession, financial management, changes at home etc. Hence, there are specific products for women, which are simple to understand and easily available.

Leave a lasting legacy

A woman will want to leave enough money for her family, her children and for her spouse. Some may also aspire to leave behind sizeable donations for charitable organisations, and life insurance is a great way to ensure that you are able to do that.

It is advisable to re-evaluate policy requirements with each life change. We can be rest assured that our dreams for our family's financial security and stability stay on course in case of any eventuality.

(The author is Chief Marketing Officer of Future Generali Life Insurance)