ROAD TO FREEDOM FROM FINANCIAL WORRIES

Insurance transfers the risk from an individual to the insurer; it is an excellent tool to attain financial security and economic freedom

The significance of August 15 is paramount to all the Indians and it needs no further elucidation. This year marks 75 years of our independence and what a remarkable journey it has been! We have traversed a long way, underwent various social, economic, and political reforms that helped us become one of the most vibrant democracies in the world.

As a country, we have achieved a lot, and there is a lot more to accomplish. Fuelled by a sense of patriotism, my train of thought led me to think what are a few things which I want for my fellow citizens? Following factors topped my list; I want them to have a long, happy life, to prosper, and wish them to have freedom from financial worries.

One of the simplest ways to free yourself from financial worries is by transferring them to someone else. Insurance transfers the risk from an individual to the insurer; it is an excellent tool to attain financial security and economic freedom.

We live in a dynamic, uncertain world, the ongoing pandemic has exposed the unpredictability of our environment and has accentuated the need to have a proper financial and risk management plan. Insurance provides peace to an individual by transferring the risk and frees the person from looming uncertainties and fear of the 'unknown'. Insurance also protects you from unforeseen financial crunches by indemnifying you for the loss arising due to an unfortunate event.

Such incidents become roadblocks in your path to prosperity, hinder your growth and cause mental strain, thus thwarting your overall well-being. By buying an insurance cover, you shield yourself from these heavy losses in return for a small sum, as the cost of insurance is considerably lower than the amount of loss during an undesirable event.

Many people may believe that they don't require insurance since they have enough savings that will suffice during an unwanted event. But if you analyze the situation, you will realize that your savings are not sufficient in most cases; you can only take some hit on your finances depending on your background. However, irrespective of one's financial status, there is a limit to which anyone can sustain a loss, after which the situation becomes precarious.

Insurance provides protection against various risks that your health, assets, and even life may face. Today the insurance market has covers for all your assets including your home, vehicles, crops, cattle, mobile, you name it. What more, your freedom from financial worries is just a few clicks away.

Gone are the days when buying insurance involved cumbersome paperwork, today all the products are easily available on the website and apps of the insurers. The entire policy management, right from purchasing the cover to policy issuance, from endorsements to renewal and claims settlement, everything can be done from the comfort of your home.

In a matter of a few clicks, you can secure your health and wealth. I urge everyone to buy few basic covers like comprehensive health insurance, home insurance, comprehensive motor cover, personal accident cover, and cyber insurance cover. These basic covers will safeguard you and your family's most valuable assets and free you from the fear of the 'unknown'.

As we celebrate Independence Day, let us ensure that our economic liberty is maintained and we progress, undaunted, in the path of growth and prosperity. This Independence Day step towards freedom from financial worries, a risk-free future awaits you, head towards it. May we always flourish, as individuals, as a society, as a nation and achieve new milestones!!

(The writer is the Chief Technical Officer at Bajaj Allianz General Insurance)

TA RAMALINGAM