







Insurance and Provident Fund

-  Akhil Garg (16uec012)
-  Nikhil Jain (16uec067)
-  Pravesh Goyal (16uec075) “wk”
-  Pulkit Jain (16uec137)
-  Saransh Jain (16uec095)
-  Vaibhav Negi (16uec120)

We the stars of “2020”

15-11-2019

B

Banking
Core banking
Corporate
Investment
cards

FS

Financial Services
Stock-broking
Payment Gateways
Mutual Funds

I

Insurance
Life Insurance
Non-Life Insurance
Provident Funds

Insurance

- 75% of Indians do not have any type of Life Insurance
(988 Million Indians)

More than the population of Europe.

- About 82% of India's workforce works in unorganized sector.
(392.31 Million plus their families)

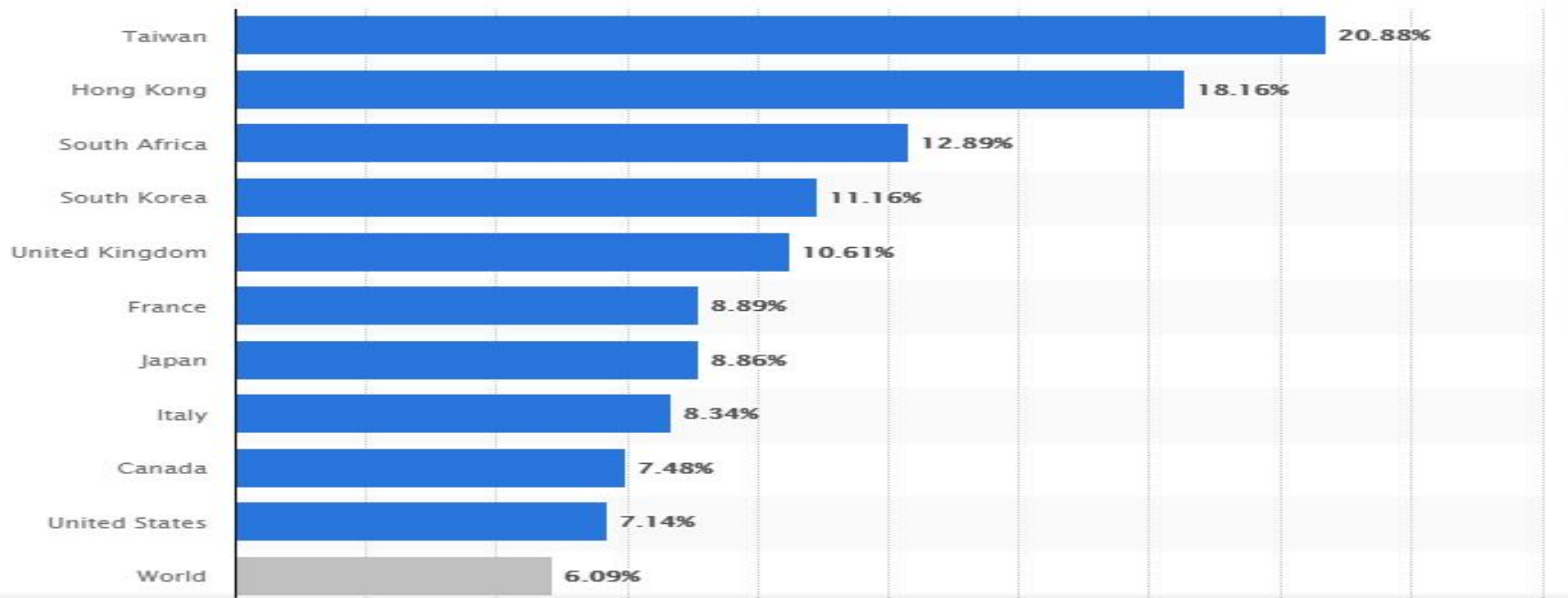
Which is more than the population of United States.

more disheartening...

- Those who have purchased life insurance are assured only of 8% of total amount.
- Coverage adequacy is much lower in India (8%).
- Japan 44%
Australia 67%
Taiwan 84%.

Insurance penetration

- Ratio of insurance premium to the country's GDP
- India's life insurance penetration was 3.69% in 2018



ESTIMATED BILL

Name : MR. KAMLESH MAV
 UHID : 00070610
 IPID : IP00044267
 Address : VENUGENJA BULD, 1ST FLOOR,
 SEC-19, VASHI VASHI

Admitted on : 19/12/2012 05:00PM
 Print Date : 20/12/2012 07:26PM

S.No.	Particulars	Gross Amt	Discount	Amount
1	PACKAGE	22000.00		22000.00
2	SURGERY/PROCEDURE	69115.00	27147.00	41968.00
3	EQUIPMENT CHARGES	1945.00		1945.00
4	ROOM RENT	10425.00		10425.00
5	DRUGS	21140.62		21140.62
6	CONSUMABLES	278072.13		278072.13
7	INVESTIGATIONS	38104.00		38104.00
8	DR. VISIT	4550.00		4550.00
9	MISCELLANEOUS	1200.00		1200.00
10	OTHER PROCEDURE	100.00		100.00
11	OTHERS	700.00		700.00
12	OTHERS	500.00		500.00
Total				420705.00
Deposits				150000.00
Net Payable				270705.00

Account Detail

Date	Description	Charges	Pmts/Adjs	Patient Balance
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John Muir Health Account Detail

Acct #
 Inpatient
 JMH Walnut Creek Hospital

09/17/14	Room and Board - Semi Private	\$14,695.50		
to	Intensive Care Unit	\$153,332.00		
09/27/14	Pharmacy	\$77,234.50		
	Medical/Surgical Supplies and Devices	\$6,986.25		
	Laboratory	\$36,692.70		
	Radiology - Diagnostic	\$1,955.00		
	Respiratory Services	\$52,562.50		
	Physical Therapy	\$628.00		
	Occupational Therapy	\$711.50		
	Emergency Room	\$21,082.50		
	EKG/ECG	\$1,062.00		
	Professional Fees	\$114.75		
	Total charges	\$367,057.20		
	BSI INSURANCE PAYMENT - 10/06/14		(\$10.56)	
	BSI INSURANCE PAYMENT - 11/19/14		(\$68,508.68)	
	Adjustments		(\$264,486.77)	
	BSI INSURANCE PAYMENT - 01/20/15		(\$33,947.00)	
	Total insurance payments and adjustments		(\$366,953.01)	
	PATIENT BALANCE DUE			\$104.19

John Muir Health Balance Due → \$104.19

Patient Balance

0-30 Days	31-60 Days	61-90 Days	90-120 Days	Over 120 Days
\$0.00	\$0.00	\$0.00	\$104.19	\$0.00

This is a statement of your account(s) for your recent visits. Please contact our Customer Service Department if you have questions concerning payment in full, or to make payment arrangements, at (866) 742-7471. Thank you.

Insurance

- Protection from financial loss.
- A practice or arrangement.
- Provides a guarantee of compensation.
- Company pools clients.
- Payments affordable to the insured.

Importance of Insurance

- Financial Support
- Medical Support
- Source of Employment
- Protection against occurrence of uncertain events

Types of Insurance

- Life Insurance
- Non Life Insurance

Life Insurance

- Contract between policy owner and the insurer.
- Insurer agrees to reimburse
- Insured agrees to pay the cost in forms of insurance premium.
- Special exclusions are written to limit the liability of the product.

Non Life Insurance

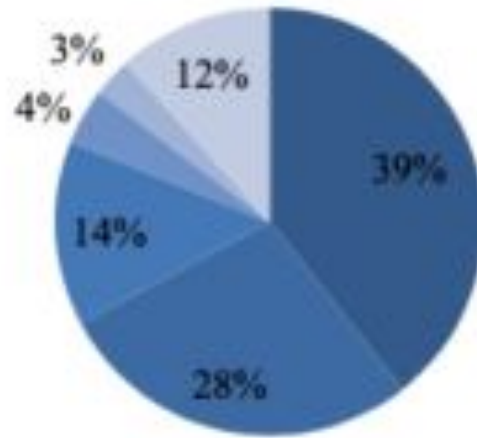
- Insuring anything other than human life.
- Examples
 - Fire Insurance
 - Health Insurance
 - Car Insurance
 - Home Insurance

Key Players in Life Insurance

- Public Sector
 - LIC
- Private Sector
 - HDFC Life
 - MAX Life Insurance
 - Bharti Axa General Insurance

Current Scenario

- 75% population has no insurance.
- Growing at the rate of 15-20% annually.
- LIC market share came down to 75%.
- Private insurers share increased over 24%.



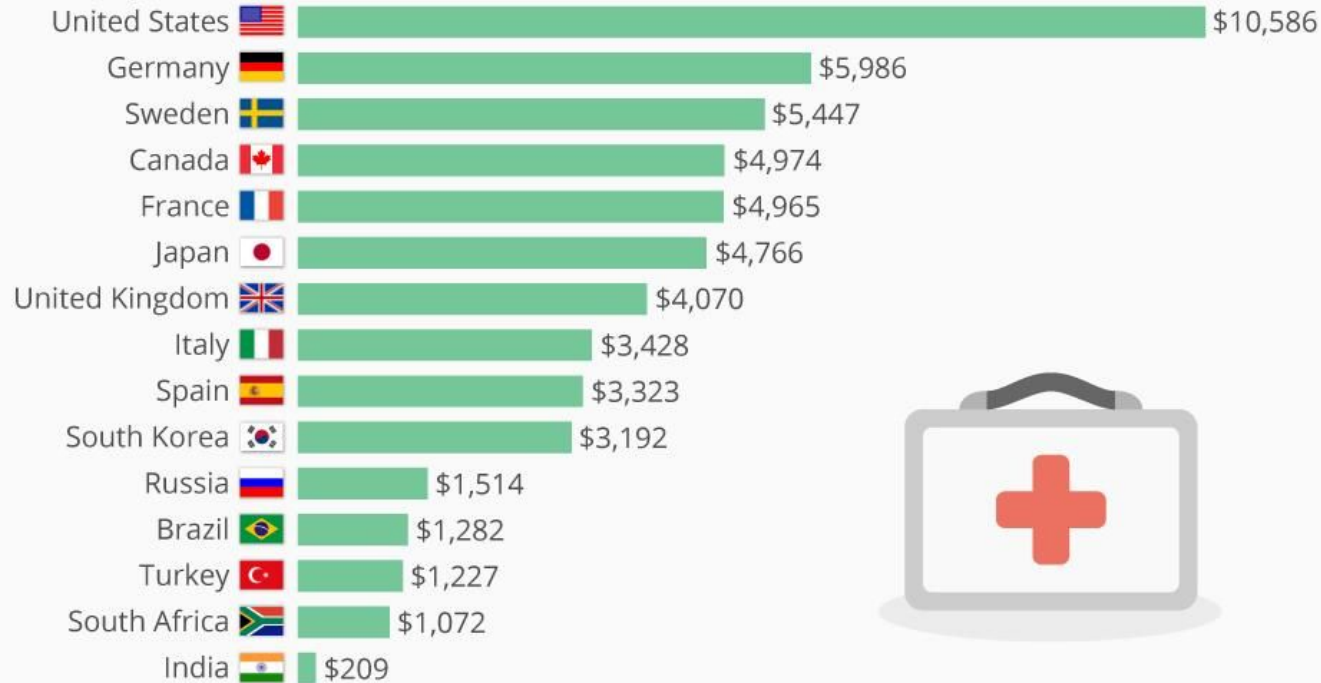
■ Motor ■ Health ■ Fire ■ Marine ■ Engineering ■ Others

Source: IRDA, Tech Sci Research

Break up of General Insurance market share in India

The U.S. Has The Most Expensive Healthcare System

Per capita health expenditure in selected countries in 2018

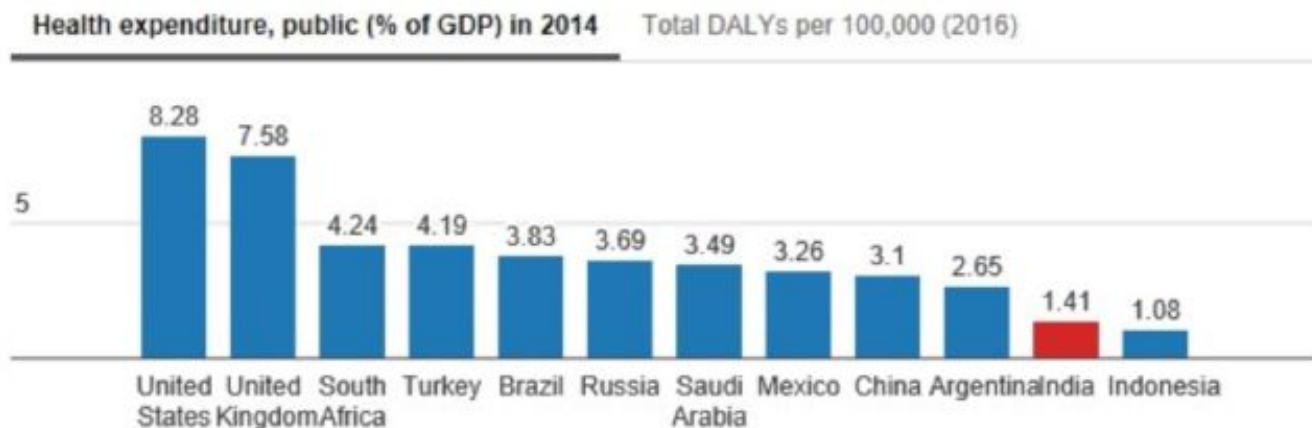


@Statista_com

Source: OECD

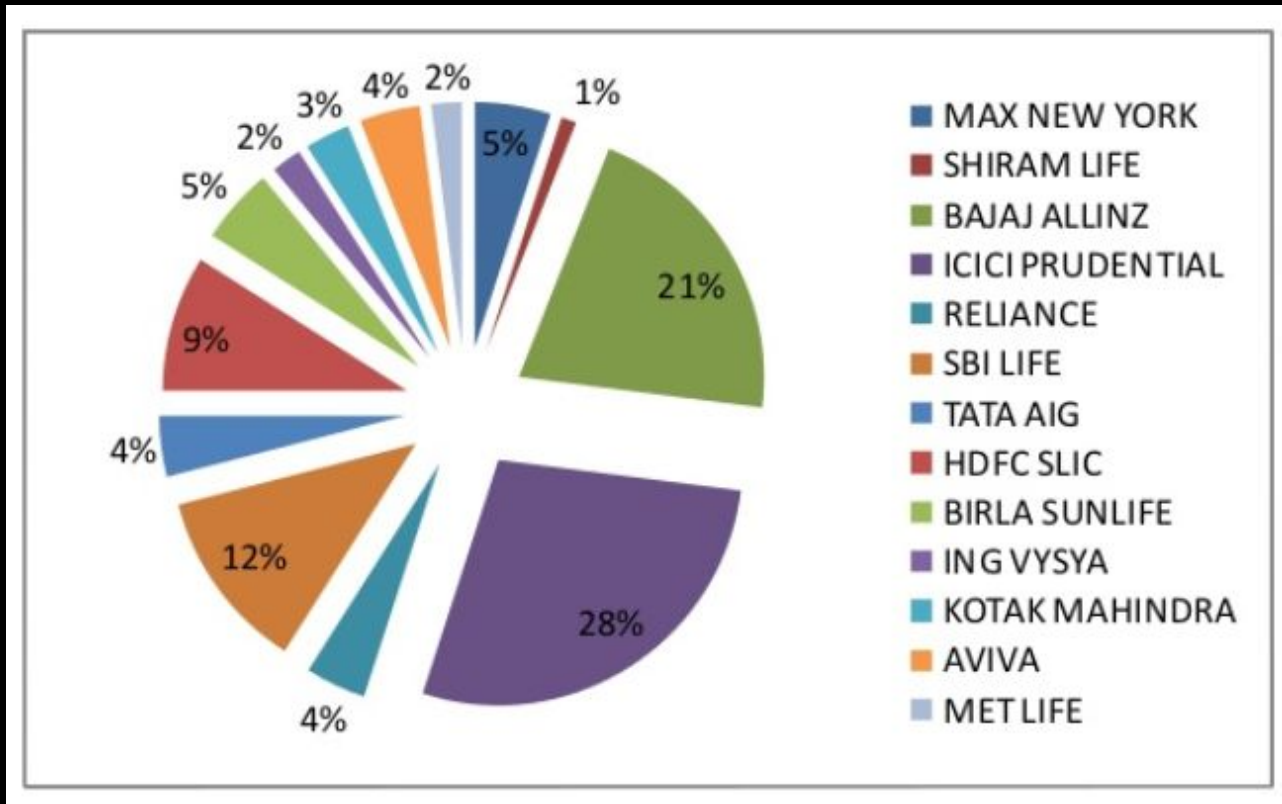
Forbes **statista**

India has among the lowest public spending on health as share of GDP compared to its peers, but significantly higher disease burden



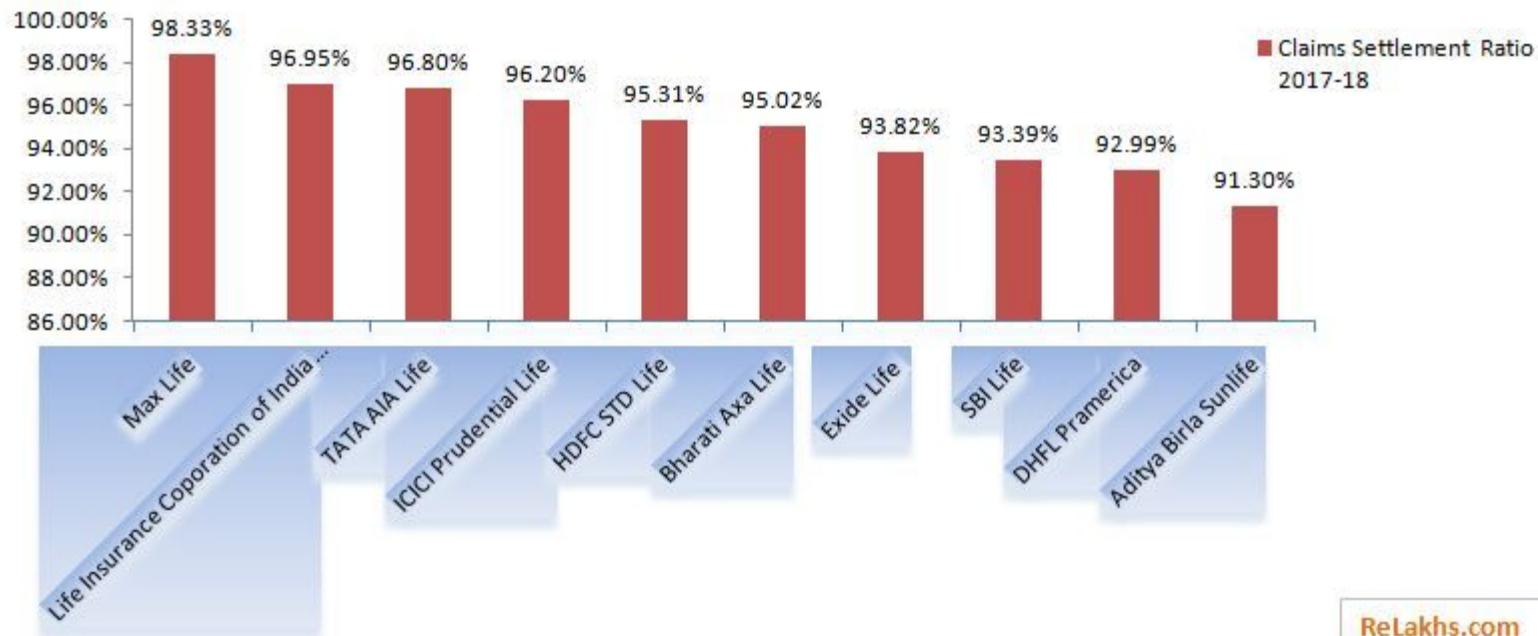
One DALY represents the loss of the equivalent of one year of full health. Data refers to the emerging market economies in G-20

Source: World Bank, The Lancet Global Burden of Disease Study • [Get the data](#) • Created with [Datawrapper](#)



Current market share of General Insurers

Top 10 Best Life Insurance Companies as per Claim Settlement Ratio 2017-18



ReLakhs.com

Provident Fund

- Retirement **benefit** scheme.
- Saves a **portion** of salary every month.
- Fund is maintained and overseen by **EPFO**.
- Corpus of **savings** for emergencies or retirement.

Provident Fund

- Mandatory for employees with \leq 15000Rs.
- Mandatory for an organization with $>$ 20 employees.
- Applicable on (basic salary+dearness allowance).
- Equal contribution by both employer and employee.

EPF Calculations

Employee	Employer			
EPF	EPF	EPS	EDLI	EPF Admin.
12%	3.67%	8.33%	0.5%	0.5%
10%*	1.67%	8.33%	0.5%	0.5%

EPS=Employee Pension Scheme

EDLI=Employee Deposit Linked Insurance

EPF Calculations

Scenario 1 : Salary \leq ₹ 15,000 (S1) ✓

Employee	Employer			
EPF	EPF	EPS	EDLI	EPF Admin.
$12\% \times S1$	$3.67\% \times S1$	$8.33\% \times S1$	$0.5\% \times S1$	$0.5\% \times S1$

Scenario 2 : Salary $>$ ₹ 15,000 (S2) – Minimum EPF (Option 1) $S2 = 40,000$

Employee	Employer			
EPF	EPF	EPS	EDLI	EPF Admin.
✓ $12\% \times 15,000$	$3.67\% \times 15,000$	$8.33\% \times 15,000$	$0.5\% \times 15,000$	$0.5\% \times 15,000$

EPF Calculations

Full EPF (Option 2)

Employee	Employer			
EPF	EPF	EPS	EDLI	EPF Admin.
12% x S2	3.67% x 15,000	8.33% x 15,000	0.5% x 15,000	0.5% x 15,000
12% x S2	12% x S2 – 8.33% x 15,000	8.33% x 15,000	0.5% x S2	0.5% x S2

Mutual Fund vs Provident Fund

Mutual Fund

- Investment Scheme operated by **AMC**.
- Different schemes based on **risk-return** principle.
- To fulfill **Short-Term** objectives.
- **No** lock in period.
- **Liquid** in nature.

Provident Fund

- PPF is run by the **central government**.
- It provides a **fixed** rate of return.
- To fulfill **Long-Term** objectives.
- Lock in period of **15 years**.
- **Not liquid** in nature.

What does all this mean to us ?

- Low coverage -> Potential for higher growth.
- Growth in organised sector -> Growth in PF.
- Large population -> Life growth.
- Economic development -> Non Life growth.
- Growth in Insurance > Banking or financial services.

Conclusion

In the end we would like to conclude that both Insurance and PF are made after a lot of thought and one should try to avail the benefits of both the schemes as it could be a life saviour during an emergency.

Key Takeaways

- Insurance can be life saving.
- Insurance provides reliability and protection.

Protection is better than cure.

- EPF is a very productive scheme.
- EPF -> Long term benefits+Tax Benefits.
- EPF is totally risk free.

Dedicated to:-



Government of India

Site to visit

- <http://truecostofhealthcare.org/medicare-supplemental-insurance/>
- <http://truecostofhealthcare.org/hospitalization/>
- <https://www.tomorrowmakers.com/life-insurance/988-million-indians-live-without-security-life-insurance-news-article>
- <https://www.oecd.org/india/>

THANK YOU!!