

CASE STUDY REPORT

Personal Income Protection & Financial Risk Management

Individual Insurance Planning Case Study

Prepared for Professional Insurance Portfolio

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Date: _____

1. Background

Mr. Bob Williams, a 25-year-old self-employed carpenter, operates a small furniture manufacturing business. His income depends primarily on physical labor and daily operations.

2. Risk Profile

- Age: 25 years
- Occupation: Manual labor
- Employment: Self-employed
- Savings: Limited
- Income dependency: High

3. Incident Scenario

Bob suffered a serious workplace accident resulting in long-term disability and an extended recovery period of approximately nine months.

4. Financial Impact Assessment

Category	Amount (₹)
Income Loss (9 Months)	4,50,000
Business Expenses	2,07,000
Medical Expenses	2,20,000
Total Loss	8,77,000

5. Insurance Coverage Analysis

At the time of accident, Bob did not maintain adequate insurance protection.

- No income protection cover
- No business expense insurance
- No disability insurance
- Limited health coverage

6. Alternative Risk Protection Framework

Cover Type	Potential Benefit (₹)
Income Protection	3,15,000
Business Expense Cover	2,07,000
Health Insurance	2,20,000
Disability Cover	5,00,000
Total Protection	12,42,000

7. Comparative Outcome Analysis

Factor	Without Insurance	With Insurance
Income Stability	Lost	Protected
Business Continuity	At Risk	Stable
Medical Costs	Self-Funded	Covered
Financial Stress	High	Low

8. Key Risk Management Insights

- Self-employed professionals face high income volatility
- Physical occupations carry elevated disability risk
- Savings alone are insufficient for major shocks
- Insurance improves financial resilience
- Planning enhances recovery outcomes

9. Professional Recommendation

- Comprehensive health insurance
- Income protection (60–70% of income)
- Business expense cover
- Long-term disability insurance
- Emergency fund of six months expenses

10. Management Conclusion

This case highlights the importance of structured insurance planning in ensuring long-term financial stability for self-employed individuals.

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Insurance Risk Management Portfolio

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