

# A Small Step by You... A Secure Future for Your Members

IndiaFirst Retirement Benefit Plan for Leave Encashment

A Joint Venture of  
 Bank of Baroda  Legal & General  ANDHRA BANK

  
**IndiaFirst**  
LIFE INSURANCE

Disclaimer: \*Interest Rates are not guaranteed and may vary from year to year depending upon the performance of the fund.

Please read to the product brochure for further information.

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Insurance is the subject matter of Solicitation.

Product UIN No.: 143N016V01

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### A small step by you... A secure future for your members

We know that your members are your most important assets. Organizations work with and exist only because of their members. No matter what your area of work, the value that individual members bring to your organization cannot be underestimated.

While being an important part of your organization, your members are also an essential part of their family. It hence becomes your responsibility to ensure basic financial security for them.

Our IndiaFirst Retirement Benefit Plan helps you to invest the funds set aside towards your member's benefits such as Leave Encashment.

With the IndiaFirst Retirement Benefit Plan, you can now ensure that your members receive the right benefits for all their hard work.

#### 1. What is IndiaFirst Retirement Benefit Plan?

IndiaFirst Retirement Benefit Plan is a non linked, non participating group plan. Under this plan you, the master policyholder can invest your funds kept aside towards your member's benefits such as Leave Encashment in a controlled fund. This will not only help you secure your member's benefits but also earn returns by providing security and stability on the Leave Encashment contribution.

#### Key Features

- You, the master policyholder, may now manage your member's benefits through a transparent and value for money plan.
- You, the master policyholder, may choose to cover the leave encashment benefit of all your members.
- The cash equivalent of the leave encashment benefit as and when paid by you, is deductible from the income under section 43B (f) of the Income Tax Act.

#### 2. Who can be a part of this plan?

This plan includes the 'Master Policyholder' and the 'Member'.

##### Who is the Master Policyholder?

- Master Policyholder is you, the organization who sets aside a fund for your members in order to cover your member's liabilities such as Leave Encashment.
- The benefits payable under this plan are governed by the scheme rules. This specifies the amount and time of the benefit payment to your member(s). The amount and time of the benefit may vary. Under the Income Tax Act 1961, the trustees appointed by you may act as the Master Policyholder.
- The Master Policyholder holds and operates the Master Policy.

##### Who is the Member?

- The Member is an employee of the organization or part of an organized group. The member is the Life Assured under this plan. The insurance cover is on the member's life. The age limits for a member are -

Age	At Entry	At Normal Exit
Minimum	18 years	-
Maximum	As per scheme rules	Retirement age of the member or as per the scheme rules

#### What is the group size to whom the cover can be offered?

Minimum Group Size	50 members
Maximum Group Size	No limit

#### 3. Who pays the contribution under this plan?

You, the master policyholder, make the contribution on behalf of your members.

#### 4. What is the minimum and maximum contribution under this plan?

Minimum contribution	₹ 1,00,000
Minimum annual contribution	No limit
Maximum contribution	No limit
Maximum size of the fund	No limit

#### 5. How does Leave Encashment work?

- You may choose to offer your members leave encashment benefits as an acknowledgement of their loyalty.
- Leave encashment is the amount payable for the member's leave period, depending upon his/ her balance leave and salary at the time of leaving the employment. This amount may be paid to the member (or dependent) on retirement or death or separation from the company.

- You, the master policyholder, make annual contributions as calculated by actuarial valuations or scheme rules on behalf of your members. On leaving the organization, the member is paid his due from the scheme fund, accumulated from the contribution by you.

#### 6. What happens in case of the member's demise?

- This plan has a life cover of ₹ 1000 for the members as additional death benefit under leave encashment schemes. The additional death cover ceases immediately on a member leaving a scheme.
- In case of the member's unfortunate demise, you, the master policyholder may withdraw from the fund value to pay to the nominee.
- In case of death in service, the benefit payable is the accrued leave encashment benefit as per scheme rules and the payout of the additional life cover.

#### 7. What happens when the benefit falls due?

Retirement Benefit (separation from the scheme by retirement)	The accrued leave encashment benefit as per the scheme rules of the master policyholder.
Benefit Payable on resignation/ early termination from the service	The accrued leave encashment as per scheme rules of the master policyholder.

#### 8. What are the tax benefits under this plan?

Currently you and your members are eligible for the below mentioned tax benefits. These are subject to change from time to time. However, you are advised to consult your tax consultant.

##### Leave Encashment

- The cash equivalent of the leave encashment benefit as and when paid by you, the master policyholder is deductible from the income under section 43B (f) of the Income Tax Act.
- Benefit received by the member at the time of retirement gets tax relief as per section 10(10AA) of the Income Tax Act subject to maximum of 10 months leave.
- All claims paid out as additional life cover are eligible for tax deductions under Section 10(10)D.

#### 9. About IndiaFirst Life Insurance

IndiaFirst Life Insurance Company is a joint venture between Bank of Baroda, Andhra Bank and Legal and General (UK).

Bank of Baroda is one of the largest public sector bank in the country with an enviable network of over 3050 branches that spreads across the geography of India and over 70 branches across 22 countries globally! This behemoth financial institution is over 100 years old and has been built on financial prudence, corporate governance and most importantly - the trust of valuable customers like you.

Andhra Bank has been serving the Indian customer for over 85 years and currently has a network of over 1557 branches. The bank has developed best in class deposit and lending schemes for its valued customers.

Both the banks are nationalized and provide best in class products and services to every Indian citizen.

Legal & General is one of UK's leading financial institutions with a heritage of over 150 years. It provides life assurance, pensions, investments and general insurance plans to over 5.5 million customers across UK. It brings rich fund management and insurance experience to India.