



Power to People

IndiaFirst Employee Benefit Plan - Leave Encashment

A Joint Venture of



In this Plan, the investment risk in the Investment portfolio is borne by the Policyholder.

Power to People...

Organizations work with and exist only because of their employees. No matter what your area of work, the value that individual employees bring to your organization cannot be under estimated.

Our IndiaFirst Employee Benefit Plan helps you to invest the funds set aside to cover your employee liabilities such as Leave Encashment into market linked investments. This plan offers a life cover for all your employees, securing their families against uncertainties of life.

With IndiaFirst Employee Benefit Plan, you can now ensure that your employees receive the benefits they deserve.

1. What is IndiaFirst Employee Benefit Plan?

IndiaFirst Employee Benefit Plan is a unit linked, non-participating, yearly renewable group plan that helps you provide for all your liability payments such as Leave Encashment. This plan also offers life cover to your employees.

Key features

You, the Master Policyholder

- You can now manage your future liabilities towards your employee such as Leave Encashment through a transparent and value for money plan
- The plan offers a life cover of ₹ 1000 to all your employees,
- You may optimize your investment returns by choosing between four funds across asset classes
- You may choose to cover the leave encashment liability of all your employees
- You may provide a perfect balance between a life cover for all your employees and best in class investment of Leave Encashment liability contributions

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 the organization that provides a life cover for all its employees while investing its funds set aside to cover its employee liabilities such as Leave Encashment into market linked investments, through this plan. In case a Trust is formed under the Income Tax Act 1961, the trustees appointed by the employer act as the Master Policyholder
- The Master Policyholder holds and operates the Master Plan

Who is the Member?

The Member is an employee of the organization. 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	70 years as on last birthday	71 years as on last birthday

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

Minimum group size	50 members (only 10 members for approved Gratuity scheme)
Maximum group size	No limit

3. Who pays the contribution under this Plan?

IndiaFirst Employee Benefit Plan is a yearly renewable plan, under which you, the Master Policyholder will make annual contributions to save towards your employee benefits/liabilities.

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

Minimum initial contribution	₹ 50,000
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 employee leave encashment benefits as an acknowledgement of his/her loyalty,
- Leave encashment is the amount payable for the employee's leave period, depending upon the leaves to his credit and his salary at the time of termination of employment. This amount may be paid to the employee (or dependent) on retirement, death or disability
- You, the master policyholder, make annual contributions on behalf of your employees. On the exit of the employee, he is paid his due from the fund of the scheme, accumulated from the contribution by you

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

We will pay the nominee a lump sum amount through you, the master policyholder in the unfortunate event of the member's demise. This amount is calculated as below -

Death benefit	In case of death in service, the accrued leave encashment benefit as per scheme rules of the employer is paid
Additional death benefit	This is equal to the sum assured of ₹ 1000 for each member

7. What happens when the benefits fall due?

The benefits will be paid to you, the master policyholder, as per the scheme rules on exit of the member from the scheme. You can accordingly pass the same to your member(s).

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

8. Cancelling your Plan

Yes you, the Master Policyholder can cancel your plan if you disagree with any of the terms and conditions within the first 15 days (free look period) of the receipt of your plan document. You can return the plan to us, while stating your specific objections.

Do you get any refund when you cancel your Plan?

Yes. We will refund an amount equal to the -
Fund Value at the time of cancellation, plus
Allocation Charges, if any plus
Charges deducted by cancellation of units
Less: i. Pro-rata Mortality Charge
ii. Any stamp duty paid

9. Surrendering your Plan

You can surrender the plan at any time during the year. Surrender charge will apply on the Fund Value at the time of surrender. Please refer to Sales Literature for details.

10. What are the tax benefits under this Plan?

Currently you and your employee 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 the employer is deductible from the income under Section 43B (f) of the Income Tax Act, 1961
- Benefit received by the employee at the time of retirement gets tax relief as per section 10(10AA) of the Income Tax Act, 1961 subject to maximum of ten months leave.

*please consult your tax advisor for details

11. 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 4288 branches that spreads across the geography of India and over 100 branches across 24 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 90 years and currently has a network of over 1882 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 175 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.

Disclaimer: Unit linked life insurance products are different from the traditional insurance products and are subject to risk factors. Premiums paid in unit linked life insurance policies are subject to investment risks associated with capital markets and NAVs of the units may go up or down, based on the performance of fund and factors influencing the capital market and the master policyholder is responsible for his/ her decisions.

IndiaFirst Life Insurance Company Limited is only name of the Insurance Company and IndiaFirst Employee Benefit Plan is only the name of the unit linked life insurance contract and does not in any way indicate the quality of the contract, its future prospects, or returns. The various funds offered under this contract are the names of the funds and do not in any way indicate the quality of these plans, their future prospects and returns. Please know the associated risks and the applicable charges from your Insurance Agent or the Intermediary or the company officials.

Please read the IndiaFirst Employee Benefit Plan brochure for further information. IndiaFirst Employee Benefit Plan - Product UIN : 143L013V02. Advt.Ref.No.: SL0013_V1