



FREE WORKSHEET

TERM COVER CALCULATOR

Kitna cover chahiye? 15 minute mein khud nikaalo.

Two simple methods to estimate how much life cover your family needs if the earner is not there tomorrow, a worked example, and the questions to ask before you sign anything.

WHAT'S INSIDE

- ◆ Method A: quick rule of thumb
- ◆ Method B: needs-based worksheet
- ◆ Illustrative worked example
- ◆ Questions before buying any policy

EARNING MEMBER _____

AGE _____ FILLED ON _____



METHOD A

QUICK RULE OF THUMB

Seedha hisaab: saal ki income ka 10 se 15 guna, plus saare loan.

A1	Annual income (before tax)	₹
A2	$A1 \times 10$ (lower end)	₹
A3	$A1 \times 15$ (higher end)	₹
A4	All outstanding loans (home, car, personal, business)	₹
=	Range: (A2 + A4) to (A3 + A4)	₹

Quick and useful as a first check. It ignores your actual expenses, goals and savings, so use Method B too.

METHOD B

NEEDS-BASED WORKSHEET

Family ko asal mein kitna chahiye, utna hi cover: na kam, na zyada.

B1	Family's yearly expenses without the earner's own costs Rent / household, school fees, bills, parents' support	₹
B2	Years the family needs support Until the youngest child is independent, or the spouse's retirement	yrs
B3	Family expenses needed = $B1 \times B2$	₹
B4	All outstanding loans	₹
B5	Future goals in today's ₹ Children's education, marriage, spouse's retirement top-up	₹
B6	Emergency buffer & final expenses	₹
N	Total needs = $B3 + B4 + B5 + B6$	₹
B7	Existing life cover you own personally Count office group cover separately: it usually ends with the job	- ₹
B8	Savings & investments the family could use FDs, mutual funds, PPF etc., not the house you live in	- ₹
=	Extra cover needed = $N - B7 - B8$	₹

Simple version: it does not adjust for inflation or the returns the money could earn. A planner fine-tunes both; the answer can move either way.

ILLUSTRATIVE EXAMPLE

RAHUL, 34, LUCKNOW

Ek kaalpanik parivaar, asli jaisa hisaab. (A made-up family, for learning only.)

Salaried, income ₹12 lakh a year. Spouse at home, children aged 6 and 3. Home loan outstanding ₹35 lakh. An old savings-type policy with ₹10 lakh cover. FDs and mutual funds worth ₹18 lakh. Office group cover of ₹24 lakh.

Method A

A1 Income	₹12 L
A2 × 10	₹1.20 Cr
A3 × 15	₹1.80 Cr
A4 Loans	₹35 L
= Range	₹1.55–2.15 Cr

Method B

B3 ₹6 L/yr × 18 yrs	₹1.08 Cr
B4 Home loan	₹35 L
B5 Education + marriage	₹50 L
B6 Buffer	₹5 L
N Total needs	₹1.98 Cr
B7 Own policy	– ₹10 L
B8 FDs + funds	– ₹18 L
= Extra needed	₹1.70 Cr

What the numbers say

Both methods land in the same zone: roughly **₹1.7 crore of extra term cover**, running until about the time the younger child turns 21. The ₹24 lakh office cover was **not** counted: if Rahul changes jobs, it goes. And the old ₹10 lakh savings policy covers only a small part of the family's real need.

Lesson: cover is decided by the family's needs, not by the premium someone shows you first. Pehle zaroorat, phir policy.

Illustrative example: names and numbers are invented for learning. Your figures will differ.

Now your turn: copy your results from page 2

METHOD A RANGE ₹ _____ METHOD B ₹ _____

ASK THESE BEFORE BUYING ANY POLICY

Sawaal poochna aapka haq hai. Jawab likh kar maangiye.

- ☐ Is this **pure term** cover, or is part of my premium going into savings / "return of premium"?
- ☐ Till what age does the cover run, and does the premium stay the same every year?
- ☐ Have I disclosed every illness, smoking/alcohol habit, my job and my existing policies?
- ☐ Who is my nominee? Should the policy be under the Married Women's Property Act for my spouse and children?
- ☐ Which riders are being added, and do I actually need each one?
- ☐ Have I read the policy wording, not just the brochure? (Free-look: 30 days to return a new policy.)
- ☐ Who is selling this, and how are they paid for it?

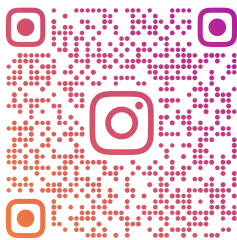
Why disclosure matters: under Section 45 of the Insurance Act, a life policy can be questioned within its first 3 years, for example for wrong or hidden facts. After 3 years it cannot be questioned on any ground. Full honesty from day one protects your family's claim.

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Comment **PLAN** for the Family Financial Checklist.
Comment **HEALTH** for the Health Policy Fine-Print Checker.

We advise; we never sell

Wealth Tank is a financial consulting firm in Lucknow. We help you work out the right cover for your family, with no policy to push.



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