

## Term Insurance + SIP

**Scenario:** Mr. A, aged 30, is the sole breadwinner of his family and is concerned about ensuring their financial security in case of an unfortunate event. He plans to invest ₹4 lakhs annually and wants to balance protection and wealth creation. His goals are twofold:

1. Avail a term insurance policy with a life cover of ₹1 crore.
2. Create a retirement corpus by age 60 through a monthly SIP with the remaining funds after paying the term insurance premium.

**Objective:** Mr. A seeks your advice on:

- How much he can accumulate in his retirement corpus by the age of 60, assuming he invests the remaining funds (after paying the term insurance premium) in an Equity Mutual Fund SIP with an assumed annual return of 12%.
- How the insurance coverage (₹1 crore) will protect his family over the years, up until age 60 with an assumed annual premium of ₹10,000.

### Term Insurance + SIP Proposal For Mr A

Current Age	30 Years
Annual Outlay	₹ 4,00,000
Term Insurance Sum Assured	₹ 1,00,00,000
Term Insurance Period	30 Years
Term Insurance Annual Premium	₹ 10,000
Balance Left For Monthly SIP	₹ 3,90,000

### Monthly SIP Amount

₹ 32,500

### Expected Fund Value @ 12 % At Age 60

₹ 10,01,31,629

\*This illustration and returns assumed are on the basis of the request made by you. These are neither indicative nor guaranteed returns. Mutual fund investments are subject to market risks. Do read all scheme-related documents carefully.

### Yearwise Projected Value

Age	Annual Outlay	Life Cover	Year End Value @ 12.00 %	Payout in case of Unfortunate Event
31	₹ 4,00,000	₹ 1,00,00,000	₹ 4,14,911	₹ 1,04,14,911
32	₹ 4,00,000	₹ 1,00,00,000	₹ 8,79,612	₹ 1,08,79,612
33	₹ 4,00,000	₹ 1,00,00,000	₹ 14,00,076	₹ 1,14,00,076
34	₹ 4,00,000	₹ 1,00,00,000	₹ 19,82,997	₹ 1,19,82,997
35	₹ 4,00,000	₹ 1,00,00,000	₹ 26,35,867	₹ 1,26,35,867
36	₹ 4,00,000	₹ 1,00,00,000	₹ 33,67,083	₹ 1,33,67,083
37	₹ 4,00,000	₹ 1,00,00,000	₹ 41,86,044	₹ 1,41,86,044
38	₹ 4,00,000	₹ 1,00,00,000	₹ 51,03,280	₹ 1,51,03,280
39	₹ 4,00,000	₹ 1,00,00,000	₹ 61,30,585	₹ 1,61,30,585
40	₹ 4,00,000	₹ 1,00,00,000	₹ 72,81,166	₹ 1,72,81,166
41	₹ 4,00,000	₹ 1,00,00,000	₹ 85,69,818	₹ 1,85,69,818
42	₹ 4,00,000	₹ 1,00,00,000	₹ 1,00,13,107	₹ 2,00,13,107
43	₹ 4,00,000	₹ 1,00,00,000	₹ 1,16,29,591	₹ 2,16,29,591
44	₹ 4,00,000	₹ 1,00,00,000	₹ 1,34,40,053	₹ 2,34,40,053
45	₹ 4,00,000	₹ 1,00,00,000	₹ 1,54,67,770	₹ 2,54,67,770
46	₹ 4,00,000	₹ 1,00,00,000	₹ 1,77,38,814	₹ 2,77,38,814
47	₹ 4,00,000	₹ 1,00,00,000	₹ 2,02,82,383	₹ 3,02,82,383
48	₹ 4,00,000	₹ 1,00,00,000	₹ 2,31,31,180	₹ 3,31,31,180
49	₹ 4,00,000	₹ 1,00,00,000	₹ 2,63,21,833	₹ 3,63,21,833
50	₹ 4,00,000	₹ 1,00,00,000	₹ 2,98,95,364	₹ 3,98,95,364
51	₹ 4,00,000	₹ 1,00,00,000	₹ 3,38,97,719	₹ 4,38,97,719
52	₹ 4,00,000	₹ 1,00,00,000	₹ 3,83,80,356	₹ 4,83,80,356
53	₹ 4,00,000	₹ 1,00,00,000	₹ 4,34,00,910	₹ 5,34,00,910
54	₹ 4,00,000	₹ 1,00,00,000	₹ 4,90,23,931	₹ 5,90,23,931
55	₹ 4,00,000	₹ 1,00,00,000	₹ 5,53,21,714	₹ 6,53,21,714

Year	Annual Investment	Life Cover	Year End Value @ 12.00 %	Risk Cover + Fund Value (In case of Death)
56	₹ 4,00,000	₹ 1,00,00,000	₹ 6,23,75,230	₹ 7,23,75,230
57	₹ 4,00,000	₹ 1,00,00,000	₹ 7,02,75,169	₹ 8,02,75,169
58	₹ 4,00,000	₹ 1,00,00,000	₹ 7,91,23,101	₹ 8,91,23,101
59	₹ 4,00,000	₹ 1,00,00,000	₹ 8,90,32,784	₹ 9,90,32,784
60	₹ 4,00,000	₹ 1,00,00,000	₹ 10,01,31,629	₹ 11,01,31,629

\*The chart is for illustration purposes only. Figures are approximate and may not be linear as shown in the chart. The returns assumed above are as per your request. These are neither indicative nor guaranteed returns.