

Think you don't need life insurance?

Even if you're single, earning well and are quite fit, a policy can come to your rescue

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Have you turned down attempts to sell you life insurance in spite of all the advice you've received? Here's a list of the most common reasons why people think they don't need to buy a life insurance policy, and why they're wrong.

I'm single

Life insurance is a necessity if you have any sort of financial obligation. You may be running some loans or have outstanding balances on your credit cards. In your absence, your family will be left to make good those repayments. Life insurance can help you cover such liabilities and relieve your family from your financial obligations. It's also reasonable to expect that your income improves the standard of living for your parents. Though they may not be currently dependant, may rely on your income once they retire.

I'm young and fit

You wouldn't be the first young person to believe that his youth and health will allow him to live forever. It actually makes financial sense to buy life insur-

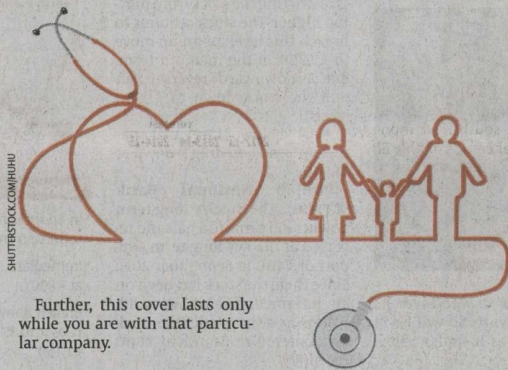
ance when you are young as it helps you lock in at lower rates and guaranteed coverage. As you age, you may develop health issues and will not be eligible or have to pay a higher premium.

I don't have kids

Life insurance secures a lifestyle and provides a safe financial future for your spouse in your absence. Your spouse will still have to manage your loan EMIs and monthly expenses. This will be more difficult if your spouse is not working, as it will take time to find a career on a moment's notice and may also require education or training.

My employer provides life insurance cover

There is a difference between having life insurance and having adequate life insurance. The right amount of life insurance can completely replace your future earning potential till your retirement in your absence. Many companies provide a cover which is twice the annual salary of the employee. But this benefit may be just enough to support the family for a year or two.



Further, this cover lasts only while you are with that particular company.

My spouse is the primary earner and insured

You still do take on responsibilities and your income impacts the standard of living of the family. For instance, your savings might be towards your child's education or for the down payment of a house. Even as a homemaker, you are running the household and in your absence, life will become challenging.

I already have a policy

Life insurance isn't a 'buy once

insurance covers the risk of dying too early.

The premiums for life insurance have become almost less than half of what was offered 10 years back. There are many affordable life insurance plans now available online.

What's the hurry?

By deferring the decision to purchase, you take a big chance when you depend solely on your savings in the early years of your life, especially if you have people dependent on you.

You can apply for life insurance online through a simple application process which takes about 10-20 minutes. Many online term plans now offer a non-medical option for a cover of ₹50 lakh and even more.

In case a medical examination is required, the company representatives help you in getting your medical test done. The policy document will be delivered directly to your email address, saving you time.

The author is Director Sales & Marketing of Canara HSBC OBC Life Insurance



What you need

- Benefit on loss of life
- Tax deduction
- Loan collateral

Cheaper cover

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