



RISK COVER AND ROLE OF POSTAL LIFE INSURANCE

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LOW PREMIUM - HIGH BONUS

Postal Life Insurance

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***Insuring lives, ensuring
prosperity***

Estd. 1884

What is Insurance?



- **Insurance is a legal contract that transfers risk from a policy holder to an insurance provider**



Why is insurance needed?



- Insurance provides protection from the exposure to hazards and the probability of loss.

It offers

- Affords protection against financial loss.
- Restores the insured back to the same condition as before the loss.
- Compensation for the loss of income at the death of the insured.
- Financial protection against disability , death, or catastrophic illness





Who should be insured?



- **Insurance should be subscribed by the earning members of the family.**
- **Those having dependants.**
- **Those having liabilities (say loans), which cannot be repaid in the event of unfortunate demise of the insurant**

History of PLI



- **Postal Life Insurance (PLI) was introduced on 1st February 1884. It was a scheme of State Insurance mooted by the then DG of Post Offices, Mr. F.R. Hogg in 1881 as a welfare scheme for the benefit of Postal employees**
- **Later it was extended to the employees of Telegraph department in 1888.**
- **In 1894, PLI extended insurance cover to female employees of P & T Department at a time when no other insurance company covered female lives.**
- **It is the oldest Life insurer in this country.**





HISTORY OF PLI



- In the beginning, the upper limit of life insurance was only Rs 4,000/- which has now increased to Rs 50,00,000/- (Rupees Fifty Lacs) and it will be effective as and when notified through a Gazette notification for all schemes combined .
- It now covers employees of Central and State Governments, Central and State PSUs, Universities, Government aided Educational instns, Nationalized Banks, Local bodies etc.
- PLI also extends the facility of insurance to the officers and staff of the Defense services and Para-Military forces.



WHY PLI?



- ♣ PLI is offering insurance to only for the Central/State/PSU, Govt. aided Educational instns, Nationalized Banks, Local bodies etc. PLI also extends the facility of insurance to the officers and staff of the Defence services and Para military forces, as a welfare scheme
- ♣ PLI later extended to the employees of BSE/NSE listed companies, All Private Educational Institutions and Professionals.
- ♣ **PLI (LOW PREMIUM : HIGH BONUS)**
- ♣ No hidden charges, No advertisement costs
- ♣ No agents commission.
- ♣ No Stamp Duty



WHY TO CHOOSE PLI ?

- Any type of life risk is covered
- Low Premium - 10% to 20% low on normal insurance premium rates depending upon the term and age as there is no advertisement cost & low commissions.
- Income tax exemption - on premium paid under section 80 (C) & Section 10 (D) is also applicable here i.e. no tax on maturity benefit
- PLI Proceeds are free from Court attachment
- High Bonus - per one lakh sum assured - 5,200 p.a. for Endowment (Santhosh) & Yugal Suraksha & Child Policy and - 4,700 p.a. for Anticipated Endowment (Moneyback–Sumangal) and 7,600 p.a. for Whole Life Assurance(Suraksha)
- Payment of premium - a) Salary recovery b) Payment of cash in Post Office c) Online payment through Debit/Credit card d) ECS facility
- We can easy to choose a policy from 6 type of policies which are designed for the welfare of 'FAMILY'



How come less premium but more benefits?



- No separate field staff
- No commission to the Agents/Field staff
- No Hidden charges
- No Advertisement costs
- No Establishment charges



POSTAL LIFE INSURANCE



**ELIGIBILITY: GOVERNMENT EMPLOYEES
PROFESSIONALS**

AGE GROUP: 19 YEARS TO 55 YEARS

SUM ASSURED: MIN : 20,000 - MAX : 50,00,000

**IT'S A WELFARE SCHEME WITH TWIN BENEFITS
(SAVINGS CUM INSURANCE)**



PLI Offerings



- Suraksha- Whole Life Assurance
- Santosh- Endowment Assurance
- Suvidha- Convertible whole life Assurance
- Sumangal- Money Back Policy
- Yugal Suraksha- Joint Life Policy
- Childrens' policy- Child Policy

WHOLE LIFE ASSURANCE (SURAKSHA) - WLA



- **A Whole Life Assurance**
- **Age – 19 to 55 years**
- **Premium Ceasing Ages WLA-55 / WLA-58 / WLA- 60**
- **Maturity will be paid to insurant on attaining of 80 years of age (or) Benefits will be paid to the Nominee or Legal heir**
- **Loan facility after 4 years**
- **Risk Benefit : Total Sum Assured + Vested Bonus**
- **Bonus added up to Life Risk**
- **Rate of Bonus – Rs.7600 per year per 1 lakh**

ENDOWMENT ASSURANCE(SANTOSH) - EA



- **An Endowment Assurance**
- **Age – 19 to 55 years**
- **Maturity Ages (Premium Ceasing Ages)**
EA-35/ EA-40/ EA-45/ EA-50/ EA-55/ EA-58/ EA-60
- **Loan facility after 3 years**
- **Risk Benefit : Total Sum Assured + Vested Bonus**
- **Bonus added up to Maturity/Claim**
- **Rate of Bonus – Rs.5200 per year per 1 lakha**

CONVERTIBLE WHOLE LIFE ASSURANCE

(SUVIDHA) - CWA

- A Convertible Whole Life Assurance
- First 5 years as Whole Life Assurance (CWA-60) after conversion as Endowment Assurance (EA-50/EA-55/EA-58)
- Age – 19 to 50 years
- Loan facility after 4 years
- Risk Benefit : Total Sum Assured + Vested Bonus
- Bonus added up to Maturity/Claim
- Rate of Bonus – applicable according to the ‘type of policy at the time of claim’ (for WLA – 7600 & for EA – 5200)

ANTICIPATED ENDOWMENT ASSURANCE (SUMANGAL) -AEA

- A Money back Policy
- Age - 19 to 45 years
- Two Terms - 15 years 20 years
Survival Benefits – after completion of years
20 % Sum Assured 6, 9, 12, 8, 12, 16,
- No loan facility & No Surrender facility
- Maturity Value - 40% Sum Assured + Vested Bonus
- Risk Benefit : Total Sum Assured + Vested Bonus (Any time before maturity)
- Rate of Bonus - Rs.4,700 per year per 1 lakh

JOINT LIFE ENDOWMENT ASSURANCE

(UGAL SURAKSHA)-YS

- A Joint Life Endowment Assurance
- Risk coverage to both Insurant & Spouse
- Age of the both lives should be in the age group of 21 to 45
- Min Term : 5years Max Term: 20years
- Loan facility after 3 years
- Risk Benefit : Total Sum Assured + Vested Bonus
- Bonus added up to Maturity/Claim
- Rate of Bonus – Rs.5200 per year per 1 lakh

SALIENT FEATURES OF PLI



- **Risk coverage from the date of acceptance of policy**
- **Nomination and Assignment facility**
- **Rebate of 1% / 2% for advance payments of 6/12 months for WLA/CWA/EA/AEA/CP policies**
- **Rebate of 10% / 50% of monthly premium for advance payment of 6/12 months for YS policy.**



SALIENT FEATURES OF PLI



- **Easy loan after completion of 4 years for WLA/CWA and after completion of 3 years for EA/YS**
- **Surrender and Paid up facility after 3/4 years**
- **Availability of Toll Free No. 1800 180 5232 & 155232**
- **AEA policy give full coverage of risk on life throughout the term of policy despite release of survival benefits by way of periodical payments**



Advise to choose PLI schemes

- Proponent age 46 to 55 can choose WLA/EA/CWA and better to choose up to the age of 58 or 60
- Proponent age 31 to 45 better to choose EA/YS/AEA for 15 or 20 years term
- Proponent age 19 to 30 better to choose EA/YS for 20 yr term can also choose EA/WLA/CWA up to the age of 58 or 60

Proponent age: 46
 Sum Assured: 10,00,000 Term: 12/14Yr



| | EA-58 | WLA-58 | EA-60 | WLA-60 |
|---|----------------|----------------|----------------|----------------|
| Term | 12 yrs | 12 Yrs | 14 Yrs | 14 Yrs |
| Monthly Premium | 7150 | 5350 | 6150 | 4750 |
| Total Premium Paid | 1029600 | 770400 | 1033200 | 798000 |
| Sum Assured | 1000000 | 1000000 | 1000000 | 1000000 |
| Expected Bonus | 624000 | 912000 | 728000 | 1064000 |
| Total Expected Benefits @ 60 yrs | 1624000 | 1912000 | 1728000 | 2064000 |

Proponent age: 35
 Sum Assured: 10,00,000 Term: 15 Years



| | EA-50 | YS-15 | AEA-15 | |
|--|----------------|----------------|----------------|-----------------------|
| Monthly Premium | 5550 | 6003 | 6650 | |
| Total Premium Paid | 999000 | 1080540 | 1197000 | |
| 1st Survival Benefit | | | 200000 | After 6 years |
| 2nd Survival Benefit | | | 200000 | After 9 years |
| 3rd Survival Benefit | | | 200000 | After 12 years |
| Sum Assured | 1000000 | 1000000 | 400000 | After 15 years |
| Expected Bonus | 780000 | 780000 | 705000 | |
| Total Expected Benefits | 1780000 | 1780000 | 1705000 | |

Proponent age: 35
 Sum Assured: 10,00,000 Term: 20 Years



| | EA-55 | YS-20 | AEA-20 | |
|--|----------------|----------------|----------------|-----------------------|
| Monthly Premium | 3950 | 4303 | 5150 | |
| Total Premium Paid | 948000 | 1032720 | 1236000 | |
| 1st Survival Benefit | | | 200000 | After 8 years |
| 2nd Survival Benefit | | | 200000 | After 12 years |
| 3rd Survival Benefit | | | 200000 | After 16 years |
| Sum Assured | 1000000 | 1000000 | 400000 | After 20 years |
| Expected Bonus | 1040000 | 1040000 | 940000 | |
| Total Expected Benefits | 2040000 | 2104000 | 1340000 | |



Proponent age: 25
 Sum Assured: 10 Lakhs up to age 58/60

| | EA-58 | WLA-58 | EA-60 | WLA-60 |
|--------------------------------|----------------|----------------|----------------|----------------|
| Term | 33 | 33 | 35 | 35 |
| Monthly Premium | 2150 | 1950 | 2150 | 1950 |
| Total Premium Paid | 851400 | 772200 | 903000 | 819000 |
| Sum Assured | 1000000 | 1000000 | 1000000 | 1000000 |
| Expected Bonus | 1716000 | 2508000 | 1820000 | 2660000 |
| Total Expected Benefits | 2716000 | 3508000 | 2820000 | 3660000 |

Proponent age: 25
 Sum Assured: 10,00,000 Term: 20 Years



| | EA-45 | YS-20 | AEA-20 | |
|--|----------------|----------------|----------------|-----------------------|
| Monthly Premium | 3950 | 4103 | 4950 | |
| Total Premium Paid | 948000 | 984720 | 1188000 | |
| 1st Survival Benefit | | | 200000 | After 8 years |
| 2nd Survival Benefit | | | 200000 | After 12 years |
| 3rd Survival Benefit | | | 200000 | After 16 years |
| Sum Assured | 1000000 | 1000000 | 400000 | After 20 years |
| Expected Bonus | 1040000 | 1040000 | 940000 | |
| Total Expected Benefits | 2040000 | 2040000 | 1340000 | |



Proponent age: 25
Sum Assured: 10,00,000 for CWA

| | CWA-60 | EA-50 | EA-55 | EA-58 |
|--------------------------------|---------------|----------------|----------------|----------------|
| Term | 5 | 20 | 25 | 28 |
| Total Term | - | 25 | 30 | 33 |
| Monthly Premium | 1750 | 3750 | 2950 | 2350 |
| Total Premium Paid | 105000 | 900000 | 885000 | 789600 |
| Total Premium Paid – 2 | - | 1050000 | 985000 | 894600 |
| Sum Assured | - | 1000000 | 1000000 | 1000000 |
| Expected Bonus | - | 1300000 | 1560000 | 1716000 |
| Total Expected Benefits | - | 2300000 | 2560000 | 2716000 |



Comparison Table : PLI with OIC

Sum Assured: 5,00,000 Age: 35

| Type of Policy & Term | Monthly Premium | | | | Yearly Bonus | | | |
|-----------------------|-----------------|------|------------|------------------|--------------|-------|------------|------------------|
| | PLI | OIC | Difference | Total Difference | PLI | OIC | Difference | Total Difference |
| EA-15 | 2775 | 3051 | 276 | 49680 | 29000 | 19000 | 10000 | 150000 |
| EA-20 | 1975 | 2229 | 254 | 60960 | 29000 | 21000 | 8000 | 160000 |
| AEA-20 | 2575 | 2922 | 347 | 83280 | 26500 | 19500 | 7000 | 140000 |



Comparison Table : PLI with OIC

Sum Assured: 5 Lakhs Age: 35 for EA Policy

| | PLI | OIC | PLI | OIC |
|--------------------------------|---------------|---------------|----------------|---------------|
| Term | 15 yrs | 15 Yrs | 20Yrs | 20 Yrs |
| Monthly Premium | 2775 | 3051 | 1975 | 2229 |
| Total Premium paid | 499500 | 549180 | 474000 | 534960 |
| BONUS per year | 26000 | 19000 | 26000 | 21000 |
| Sum Assured | 500000 | 500000 | 500000 | 500000 |
| Expected Bonus | 390000 | 285000 | 520000 | 420000 |
| Total Expected Benefits | 890000 | 785000 | 1020000 | 920000 |



Comparison Table : PLI with OIC

Sum Assured: 5,00,000 Age: 35 for YS Polic



| | PLI | OIC | PLI | OIC |
|-------------------------------------|---------------|---------------|----------------|---------------|
| Term | 15 yrs | 15 Yrs | 20Yrs | 20 Yrs |
| Monthly Premium | 3003 | 3491 | 2153 | 2743 |
| Total Premium paid | 540540 | 628380 | 516720 | 658320 |
| BONUS per year | 26000 | 20000 | 26000 | 22000 |
| Sum Assured | 500000 | 500000 | 500000 | 500000 |
| Expected Bonus | 390000 | 300000 | 520000 | 440000 |
| Total Expected Ben efits | 890000 | 800000 | 1020000 | 940000 |



Comparison Table : PLI with OIC

Sum Assured: 10,00,000 Age: 35 for AEA Policy

| | PLI | OIC |
|--------------------------------|----------------|----------------|
| Term | 20Yrs | 20 Yrs |
| Monthly Premium | 5150 | 6458 |
| Total Premium paid | 1236000 | 1549920 |
| BONUS per year | 47000 | 19500 |
| Sum Assured | 1000000 | 1000000 |
| Expected Bonus | 940000 | 390000 |
| Total Expected Benefits | 1940000 | 890000 |



Comparison Table : PLI with OLC

Sum Assured: 5,00,000 Age: 46 for EA policy

| | PLI | OLC | PLI | OLC |
|--------------------------------|---------------|---------------|---------------|---------------|
| Term | 12 yrs | 12 Yrs | 14 Yrs | 14 Yrs |
| Monthly Premium | 3575 | 4007 | 3075 | 3443 |
| Total Premium paid | 514800 | 577008 | 516600 | 578424 |
| BONUS per year | 26000 | 19000 | 26000 | 19000 |
| Sum Assured | 500000 | 500000 | 500000 | 500000 |
| Expected Bonus | 312000 | 228000 | 364000 | 266000 |
| Total Expected Benefits | 812000 | 728000 | 864000 | 766000 |



TECHNOLOGY INDUCTION IN PLI



- April-2016 onwards PLI technology migrated from NIC support software to Mc camish software
- Proposal forms are scanned and linked to policy
- Insurant can create an user id by updating their mobile number mail id to their PLI policy in the Post Office
- With the user id we can pay premium online, we are able to know every thing in that user id.
- Consequent upon decentralisation all claims can be settled in CPCs located at Head Post Office.



TECHNOLOGY INDUCTION IN PLI(CONTD)



- We can create user id by searching PLI CUSTOMER LOGIN in google or from the inida post web site www.indiapost.gov.in
- or We can create user id by downloading [“Online PLI”](#) APP
- We have to upload our PLI policy details to generate user id
- With in 24 hours we can get a link to our perosnal mail id
- By opening that link we can get our PLI USER ID we have to set the pass word

More Questions



- If you have more questions or feedback just send me your name and your phone number to talluridopli02@gmail.com
- call/sms to : 9949335598

OR

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Thank You

