

**Post office Life Insurance Rule 2011 & Guidelines issued by Dte.
from time to time on PLI/RPLI and core Insurance Solution**

PLI Introduced- 01.02.1884

PLI Day on 12th October

Short title, extent and commencement

1. These rules may be called **Post Office Life Insurance Rules — 2011**.
- (a) These extend to the whole of India
- (b) These shall come into force on the date of its notification.
2. **The President reserves the right** of making from time to time such addition, alteration or modification in the rules.
3. The administration of the Post Office Life Insurance Fund and Rural Post Office Life Insurance Fund under these rules **is vested in the Director General of Posts**.
4. The Post Office Life Insurance Rules, 2011 shall apply to the **PLI and RPLI** of the Department of Posts.

--Definitions--

5. **In these rules-**
- 1) **“Acceptance letter”** is an intimation sent by Postmaster General/ Accepting Authority to the proposer regarding acceptance of proposal.
- 2) **“Accepting Authority”** means an officer who is authorized to accept the proposal for Postal Life Insurance policy/ Rural Postal Life Insurance policy
- 3) **“Age proof”** means the proof given by the proposer to determine his/her age on the next birth day on the date of proposal.
- 4) **“Auto paid up”** means a policy for which 36 or more premiums have been paid and also has completed **three years** or more duration from its date of acceptance and the policy holder without intimation discontinues payment of further premia. However, the policy shall be maturing on the same date as the original policy, either for *the* original sum assured, when the future premiums payable is compounded by a single payment, or for a reduced sum assured, when the premium in respect of the original policy is discontinued before the stipulated terms.
- 5) **“Central Processing Centre (CPC)”** means a Branch of Head Post Office, where all work relating to PLI/RPLI is carried.
- 6) **“Commutation”** means any alteration in a contract of insurance excepting one in the date of maturity, and includes alteration in the amount of premium in the premium-term, or in the sum assured. **(Change in Premium amount and sum assured)**.
- 7) **“Conversion”** means any alteration affecting the date of maturity of a contract of insurance and includes not only alteration from **Whole Life Insurance class to the Endowment** class but also the antedating or postdating of the maturity of an Endowment policy and consequent increase/decrease of premium. (Change maturity date of PLI & RPLI)
- 8) **“Convertible Whole Life Assurance”** means a life insurance contract entered into by



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Government to pay a given sum of money with accrued bonus to the insured either on attaining the age of 80 years. With option to the policy holder to convert the policy, at the end of **5 years** (with a grace period at end of **6 years**) from the date of commencement of risk into an Endowment Assurance maturing at a specified age.

- 9) **Date of Acceptance** of PLI and RPLI policies must not be before the date on which the approving authority actually accepts/approves the proposal.
- 10) **Date of commencement of risk** of PLI and RPLI policies must not be before the date on which the approving authority actually accepts/approves the proposal.
- 11) **Director PLI** means the Director, Postal Life Insurance, Kolkata.
- 12) **Due date of premium** means the first day of the month for which the premium is payable.
- 13) **Free Look Period** means a period of **15 days** from the date of delivery of *the* policy at the address of the insurant during which the insurant may make a request to the Department of Posts for cancellation of his policy.
- 14) **General Post Office (GPO)** means the first-class Head Office situated at the Headquarters of the Head of a Circle or, where there are more than one such Head Office, the one attached to the Headquarters.
- 15) **Immediate Superior** means the head of the office in which the proposer is serving. If the proposer is himself the head of the office **"Immediate Superior"** means the officer to whom the proposer is directly subordinate.
- 16) **Insured" or "insured person** means the person to whom a policy of Postal life insurance/Rural Postal Life Insurance has been issued.
- 17) **Lapsing of policy** — The policy shall be treated as lapsed in case you fail to pay the premium/premia that has/have become due. In case of policies of **less than three years duration**, if more **than six premia are not paid**, the policy lapses. In case of policies of more than three years duration, if more than **twelve premia** are not paid, the policy lapses.
- 18) **Manager" or "Postmaster** means Chief Postmaster of General Post Office/Sr. Postmaster/Head Postmaster of Head Office or Director of New Delhi HO/Mumbai GPO/Kolkata GPO, as the case may be, who will be head of Central Processing Centre of PLI/RPLI (GPO/Head Office).
- 19) **Marketing staff** is an official or person who is authorized by the Postmaster General or Head of Division to procure Postal Life Insurance and Rural Postal Life Insurance business.
- 20) **Paidup Policy** means a policy which requires no further payment of premium in respect of it, but maturing at the same date as the original policy, either for the original sum assured, when the future premiums payable is compounded by a single payment, or for a reduced sum assured, when the premium in respect of the original policy is discontinued before the stipulated term.
- 21) **Period of Grace** shall extend up to **the last day of the calendar month** for which *the* premium is due or the day before the last day if the last day of *the* month falls on Sunday

or Postal holiday.

- 22) **“Policy”** means the written document containing the terms of contract in respect of insurance.
- 23) **“Policy in Force”** means a policy for which all the due premia have been paid regularly and such policy has neither become **‘void’ nor ‘lapsed’** under any rule of Post Office Insurance Fund Rules.
- 24) **Reinstatement of Policy-** A discontinued policy can be reinstated. Automatic reinstatement is permissible in following two conditions such as (i) policy has completed 3 years and 12 months premium has not been paid, and (ii) policy has not completed 3 years and 6 months premium has not been paid. Insurant may deposit all the arrears of premia till that date of such payment along with interest at the rates prescribed by Department of Posts.
- 25) “Post Office Life Insurance Fund (**POLIF**) and Rural Post Office Life Insurance Fund (**RPOLIF**)” means the amount outstanding in the fund arising out of PLI and RPLI.
Note- Net accretions under the Both POLI & RPOLI Fund from the **1st day of November, 2009** onwards, shall be invested in various forms, and regulated in accordance with the IRDA (Investment) Regulations, 2000, as amended from time to time.
- 26) **Postal Life Insurance (PLI)”** includes WLA, CWLA, EA, AEA, YS and Child policy.
- 27) **“Postmaster General”** means the Head of Postal Circle or Region concerned and includes all officers exercising the powers of a Postmaster General in Postal Life Insurance and Rural Postal Life Insurance matters.
- 28) **“Premium”** means the periodical payment for any policy
- 29) **“Proposer”/ “Proponent”** means the person who applies for scheme/schemes of PLI/RPLI.
- 30) **“Primary Identifier/Proof of Identity”** means Aadhar number an identification number for purchase of a Postal Life Insurance (PLI) and Rural Postal Life Insurance (RPLI) policy.
- 31) **“Rural Postal Life Insurance (RPLI)”** includes WLA, CWLA, EA, AEA, Child Policy and 10 years policy.
- 32) **“Surrender Value”** of a policy means the amount that is payable to an insured, when he **foregoes the contingent benefit** of his policy and surrenders it for an immediate cash payment, provided at least **36 premiums** have been paid and policy has completed minimum 36 months duration.
- 33) **“Void”** means a policy which is less than three years duration and any premium(s) that have become due, **not paid either on the first day of the month** for which the premium is due or **within the period of grace**.

6. **Eligibility Conditions for Postal Life Insurance**

PLI was introduced on **1st February 1884**. It now covers employees of-

1. Central & State Governments, Defense and Para-Military Services,
2. Public Sector Undertakings, Banks, Educational Institutions, Local Bodies,



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3. Professionals (such as doctors, engineers, chartered accountants, MBAs, lawyers etc.).
4. Employees of companies listed with National Stock Exchange (NSE) / Bombay Stock Exchange (BSE).
5. Any person holding graduate degree/Diploma from India and foreign countries. Final year marksheet/ Provisional certificate may be allowed for PLI.

(A) Whole Life Assurance (SURAKSHA)

- This is a scheme where the assured amount with accrued bonus is payable to the insured either on attaining the **age of 80 years**, or to his/her legal representatives or assignees on death of the insured, whichever occurs earlier, provided the policy is in force on the date of claim.
- Minimum & Maximum age at entry: **19-55 years**
- Min. S.A. Rs. 20,000; Max. 50 lacs in multiple of Rs.10000/-
- Loan facility after **4 years**
- Surrender after **3 years**
- Not eligible for bonus if surrendered **before 5 years**.
- Can be converted into Endowment Assurance Policy up to 59 years of age of the insurant provided the date of conversion does not fall within one year of the date of cessation of premium payment or date of maturity.
- Premium paying age can be opted for as **55,58 or 60 years**.
- Proportionate bonus on reduced sum assured is paid if policy is surrendered.

(B) Convertible Whole life Assurance (Suvidha)

A Whole Life Assurance Policy with the added feature of an option to convert to Endowment Assurance Policy at the end of **five years of taking policy**.

- In case of death, assignee, nominee or legal heir paid full amount of sum assured with accrued bonus
- Minimum age & Maximum age at entry: **19-50 years**.
- Can be converted into Endowment Assurance after 5 years not later than 6 years of taking policy. If not converted, policy will be treated as WLA.
- Min. S.A. Rs. 20,000; Max. Rs. 50 lacs in multiple of **Rs.10000/-**
- Loan facility **after 4 years**
- Surrender **after 3 years**
- Not eligible for bonus if surrendered before completion of 5 years.
- On conversion, bonus of Endowment Assurance will be payable from the date of commencement of policy.

(C) Endowment Assurance (Santosh)

- Under this scheme the proponent is given an assurance to the extent of the sum assured and accrued bonus till he/she attains the pre-determined age of maturity **i.e., 35,40,45,50,55,58 & 60 years of age**.
- In case of death of insurant, assignee, nominee or legal heir is paid full amount of sum assured



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with accrued bonus.

- Minimum & maximum age at entry: 19-55 years.
- Min. S.A. Rs. 20,000; Max. 50lac, in multiple of Rs.10000/-
- Loan facility after 3 years.
- Surrender after 3 years.
- Not eligible for bonus if surrendered before completion of 5 years.
- Proportionate bonus on reduced S.A. is paid if policy is surrendered after 5 years.

(D) Joint Life Assurance (Yugal Suraksha) (Introduced w.e.f. 01-08-1997)

- It is a Joint Life Endowment Assurance in which one of the spouses should be eligible for PLI policies.
- Life cover to both spouses to the extent of sum assured with accrued bonus with a single premium.
- Min. S.A. Rs. 20,000; Max. 50lacs, in multiple of Rs.10000/-
- Minimum age & Maximum age at entry of spouses: 21-45 years
- Maximum Age of the elder policy holder should not be more than 45 years & the couple should be between 21 years to 45 years.
- Minimum term of policy 5 years and maximum 20 years.
- Loan facility after 3 years
- Surrender after 3 years
- Not eligible for bonus if surrendered before completion of 5 years. Proportionate bonus on reduced S.A. is paid if policy is surrendered after 5 years.
- Death benefits are paid to either of the survivors in the event of death of spouse or main policy holder.

(E) Anticipated Endowment Assurance (Sumangal)

- It is a Money Back Policy with max. sum assured of 50 lacs, in multiple of Rs.10000/- best suited to those who need periodical returns.
- Survival benefits are paid to the insurant periodically. Such payments will not be taken into consideration in the event of unexpected death of the insurant. In such cases, full sum assured with accrued bonus is payable to the assignee, nominee or legal heir.
- Minimum age 19 years; maximum age at entry 40 years for 20 years' term policy & 45 years for 15 years' term policy.
- **Survival benefits paid periodically as under:**

| AEA 15 Years | AEA 20 Years |
|---|---|
| 20% at the end of 6 years | 20% at the end of 8 years |
| 20% at the end of 9 years | 20% at the end of 12 years |
| 20% at the end of 12 years | 20% at the end of 16 years |
| 40% at the end of 15 years with accrued bonus | 40% at the end of 20 years with accrued bonus |

(F) Children Policy (Bal Jivan Bima) (Introduced w.e.f. 20-01-2006)

- The scheme provides life insurance cover to children of policy holders.
- Maximum two children of policy holder (parent) are eligible
- Children between **5- 20 years of age** are eligible.
- Max. S.A. Rs. **3 lac** or equal to the S.A. of the parent, whichever is less.
- Policy holder (parent) should not be over **45 years of age**.
- No premium to be paid on the Children Policy, on the death of policy holder (parent). Full sum assured and bonus accrued shall be paid on completion of term Policy holder (parent) shall be responsible for payment of Children policy.
- No loan facility available.
- Has facility for making it paid up, provided premiums are paid continuously for **5 years**.
- Surrender facility is not available.
- No medical examination of child necessary. However, child should be healthy and risk shall start from day of acceptance of proposal.

Some Important

i. **Bonus Rate on PLI for Financial year 2025-2026 effect from 01.04.2025**

| Scheme | Bonus on Rs.1000/- per year |
|-------------------------|---|
| WLA | Rs. 76/- |
| CWLA | Rs.76/- after conversion in EA Rs.52/- |
| EA, Child Policy and YS | Rs. 52/- |
| AEA | Rs. 48/- |
| Terminal Bonus | Rs.20/- Per S.A. of Rs.10,000/- subject to max. of Rs. 1000 for WLA and EA policies with term of 20 years of more . |

- ii. If the death of the insured arises either directly or indirectly **as a result of aviation otherwise than as a fare paying passenger** in an aircraft authorized to undertake public transport or as a servant of Government of India in the Indian Navy or Air Force, only the surrender value acquired by the policy will be payable under the policy provide that the surrender value will be paid only if 3 years premia have been paid on the policy and the policy is of **not less than 3 years duration**.
- iii. **PLI for professional with sum assured greater than Rs. 20 lakhs, the maximum sum assured will be restricted as under.**

| Age of entry | Maximum limit of S.A. (in Rs.) |
|--------------------|---------------------------------|
| Till 40 years | 10 times of gross annual income |
| 41 years and above | 7 times of gross annual income |

iv. **PLI effective Premium (Policy)**

| Scheme | Make effective Premium |
|-------------------------|------------------------|
| WLA, CWLA, AEA, YS & CP | Monthly premium |



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| | |
|----|---|
| EA | Monthly, Quarterly, Half-annual and Annual. |
|----|---|

7. Rural Postal Life Insurance (Introduced w.e.f. 24-03-1995).

RPLI was introduced in 24.03.1995 for rural people of India on the recommendations of Malhotra Committee.

(A) Whole Life Assurance (Gram Suraksha)

- This is a scheme where the assured amount with accrued bonus is payable to the insured either on attaining the age of **80 years**, or to his/her legal representatives or assignees on death of the insured, whichever occurs earlier, provided the policy is in force on the date of claim
- Minimum & Maximum age at entry: **19-55 years**.
- Minimum Sum Assured 10,000; Maximum 10 lacs in multiple of **Rs 5000/-**
- Loan facility **after 4 years**.
- Surrender **after 3 years**.
- Not eligible for bonus if surrendered before **5 years**.
- Can be converted into Endowment Assurance Policy up to 59 years of age of the insurant provided the date of conversion does not fall within one year of the date of cessation of premium payment or date of maturity.
- Premium paying age can be opted for as 55, 58 or 60 years.
- Proportionate bonus on reduced sum assured is paid if policy is surrendered.

(B) Convertible Whole life Assurance (Gram Suvidha).

A Whole Life Assurance Policy with the added feature of an option to convert to Endowment Assurance Policy at the end of **five years** of taking policy.

- Assurance to the extent of sum assured with accrued bonus till attainment of maturity age.
- In case of death, assignee, nominee or legal heir paid full amount of sum assured with accrued bonus.
- Minimum age & Maximum age at entry: **19-50 years**.
- Can be converted into Endowment Assurance after 5 years not later than 6 years of taking policy. If not converted, policy will be treated as Whole Life Assurance.
- Min. S. A. Rs. 10,000; Maximum Rs. **10 lacs multiple of Rs. 5000/-**
- Loan facility **after 4 years** Surrender **after 3 years**.
- Not eligible for bonus if surrendered before completion of **5 years on conversion**, bonus of Endowment Assurance will be payable.

(C) Endowment Assurance (Gram Santosh)

Under this scheme the proponent is given an assurance to the extent of the sum assured and accrued bonus till he/she attains the pre-determined age of maturity i.e. 35, 40, 45, 50, 55, 58 & 60 years of age.



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- Incase of death of insurant, assignee, nominee or legal heir is paid full amount of sum assured with accrued bonus.
- Minimum & maximum age at entry: 19-55 years.
- Minimum sum assured Rs.10,000; Maximum Rs.10 lac in multiple of **Rs. 5000/-**.
- Loan facility after **3 years.**
- Surrender after **3 years.**
- Not eligible for bonus if surrendered before completion **of 5 years.**
- Proportionate bonus on reduced sum assured is paid if policy is surrendered after 5 years.

(D) 10 Years Rural PLI (Gram Priya)

It is a short-term money back scheme for Rural populace only Insurant is given life cover to the extent of **Sum Assured for 10 years.**

- **Survival Benefits**

| |
|--|
| 20% at the end of 4 years |
| 20% at the end of 7 years |
| 60% at the end of 10 years with accrued bonus |

- Minimum & maximum age at entry **20- 45** years.
- Minimum sum assured Rs. 10,000, maximum 10 lacs in multiple of Rs. 5000/-.
- No interest is charged up to one year as arrears of premia in case of natural calamities like flood, drought, earthquake, cyclone etc.

(E) Anticipated Endowment Assurance (Gram Sumangal)

- It is a Money Back Policy with maximum sum assured of 10 lacs, best suited to those who need periodical returns.
- Survival benefits are paid to the insurant periodically.
- Such payments will not be taken into consideration in the event of unexpected death of the insurant. In such cases, full sum assured with accrued bonus is payable to the assignee, nominee of legal heir.
- **Policy term:** 15 years and 20 years.
- Minimum age 19 years; maximum age at entry 40 years for 20 years' term policy & 45 years for 15 years' term policy.

- **Survival benefits paid periodically as under: -**

| AEA 15 Years | AEA 20 Years |
|---|---|
| 20% at the end of 6 years | 20% at the end of 8 years |
| 20% at the end of 9 years | 20% at the end of 12 years |
| 20% at the end of 12 years | 20% at the end of 16 years |
| 40% at the end of 15 years with accrued bonus | 40% at the end of 20 years with accrued bonus |

(F) Children Policy (Bal Jivan Bima)

- Maximum two children of policy holder (parent) are eligible.
- Children between **5- 20 years** of age are eligible.
- Max. S.A. **Rs.1 lakh** or **equal to the S.A. of the parent**, whichever is less.



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- Policy holder (parent) should not be over **45 years of age**.
- No premium to be paid on the Children Policy, on the death of policy holder (parent). Full sum assured and bonus accrued shall be paid on completion of term.
- Policy holder (parent) shall be responsible for payment of Children policy.
- No loan admissible.
- Has facility for making it paid up, provided premiums are paid continuously for 5 years.
- Surrender facility is not available.
- No medical examination of child necessary. However, child should be healthy and risk shall start from day of acceptance of proposal.

-Some Important-

- The maximum limit of sum assured **with non-standard proof of age shall be 1 (one) lac.** The 5% extra premium will be loaded.
- Sum assured of RPLI more than **Rs. 25,000/-** should be subject to usual medical examination. Also, any one taking policies worth or more than 25,000/- (sum assured) with non-standard proof of age shall not be beyond 45 years of age.
- Bonus Rate on RPLI for Financial year 2024-2025 from 01.04.2024**

| Scheme | Bonus on Rs.1000/- per year |
|-----------------------|--|
| WLA | Rs. 60/- |
| CWLA | Rs. 60/- after conversion in EA Rs.48/- |
| EA, Child Policy | Rs. 48/- |
| AEA | Rs. 45/- |
| 10 years (Gram Priya) | Rs. 45/- |
| Terminal Bonus | Rs. 20/- Per S.A. of Rs.10,000/- subject to max. of Rs. 1000 for WLA and EA policies with term of 20 years of more . |

- Rebate on Advance Premium on PLI and RPLI**

- 12 months: 2%
- 6 months: 1%
- 3 months: 0.5% (for RPLI only)

(Rebate for Yugal Suraksha Policy)

- 12 months : 50% of one month's premium
- 6 months : 10% of one month's premium
- 3 months: 2% of one month's premium

- Charges of various services**

| S.I.No. | Service | Fee Amount |
|---------|--------------------------------|------------|
| 1 | Duplicate policy Bond | Rs. 100/- |
| 2 | Conversion charge | Rs. 20/- |
| 3 | Duplicate Premium Receipt book | Rs. 20/- |
| 4 | Duplicate Loan Receipt book | Rs. 5/- |

9. Medical Scheme and Non- Medical Scheme

| Non-Medical | PLI | RPLI |
|--|--|---|
| Max. S.A. | Rs. 500000/- | Rs. 100000/- (If Non-Standard Age proof Rs. 25000/-) |
| Max Age | Exceed 2 L to 5 L - 40 years Upto2Lakh -irrespective of age limit | 35 years |
| Except Above medical is necessary for all PLI and RPLI policies. | | |

- 10.** In the event of a **Non-Medical** Policy issued under these Rules in **PLI or RPLI**, becoming a death **claim** before maturity, benefits **to claimant** of nominee (s)-

| S.I.No. | Occurred Death from date of acceptance | Amount (S.A.+ Accrued Bonus) |
|---------|--|------------------------------|
| 1. | Before one year | 35% |
| 2. | After <u>one year</u> but before <u>two years</u> | 60% |
| 3. | After <u>two years</u> but before <u>three years</u> | 90% |
| 4. | After <u>three years</u> | 100 % |

- 11. The status of Medical Officers for medical examination is given as under:**

| S.L. | Limit of S.A | Status of Medical Officer |
|------|----------------------------------|--|
| 1. | Up to 5 Lakhs | (i) Assistant Civil Surgeon or above/Medical Officer in PHC. (ii) And equal to Asstt. Civil Surgeon in Central or State Govt. Municipal, local Board etc. nearest the place of residence/place of duty or temporary residence. (iii) Retired Medical Officer (Grade-II) |
| 2. | Above 5 Lakhs to 10 Lakhs | (i) Dy. Civil Surgeon or above (ii) Medical Officer equivalent to Dy. Civil Surgeon or above employed in Central and State Government etc. minimum 10 years' experience . nearest the place of residence/place of duty or temporary residence. (iii) Retired Medical Officers (Gr. I) |
| 3. | Above 10 lakhs | (i) Civil Surgeon, Medical Officers in the employment of Government enjoying the status not lower than that of a Civil Surgeon or Chief Medical Officer. (ii) Medical Officer (Allopathic) equivalent to Civil Surgeon minimum 15 years' experience nearest the place of residence/place of duty or temporary residence. (iii) Retired Civil Surgeon, CMO Gr.-I and Specialist Grade-I. |

- 12. "The Divisional Head concerned will appoint retired medical officer Gr-II, retired Civil Surgeon, CMO Grade-I, Specialist Class-II and Postgraduate Doctor in Medicine, who voluntarily resigned from the Government Service and working as a practicing Consultant Physician, foreexamining PLI/RPLI proponents upto the limits as given in these rules".**

13. "The Head of Division may also appoint the Registered Medical Practitioners (Allopathic) to conduct medical examination of PLI and RPLI proponent up to the sum assured of **Rs.5lakhs** subject to the conditions.

14. **The Medical officer concerned will receive a fee for each medical examination-**

| S.L.No | Sum Assured | Fee |
|--------|-------------------------------|-----------|
| 1. | Up to 10 lakhs | Rs. 50/- |
| 2. | Above 10 lakhs up to 20 Lakhs | Rs. 70/- |
| 3. | Above 20 lakhs | Rs. 120/- |

15. When a proposal is not accepted after the proposer has been medically examined, within **60 days**, a second medical certificate shall be obtained and the fee thereof shall be paid by the **proposer** if he is responsible for the delay, otherwise it shall be paid out of the Insurance Fund.

16. The insurant is allowed to place a request to the Postmasters Manager of the CPC within **15 days of delivery of the policy** document at his address, for cancellation of his policy stating reasons thereof.

17. A life insurance contract will be held to commence from the date borne on the policy (date of acceptance) or written document in which the contract is recorded; and *the policy will be given to the person insured for custody.*

18. **Assignment and Nomination**
 - (a) **Policies** may be assigned by the policyholder, either: -
 - (i) for valuable consideration
 - (ii) By way of gift.

 - (b) **Nomination**
 - (i) A policy holder is advised to nominate a person or a trust to whom the sum assured shall become payable in the event of his death.
 - (ii) Provided that if any of the legal heir(s) or the nominee(s)/trustee of **a policy holder has been charged with the murder of the policy holder**, the policy money shall not *be* paid to him/her unless he/she is honorably acquitted of by the competent court of law.

19. Policies of PLI/RPLI granted in accordance with these rules are **exempted from stamp duty.**

20. **Deduction of TDS @ 2% on payment of Maturity** (Maturity amount after deducting **the premium paid**) of PLI/RPLI policies exceeding **Rs. 1 Lakh during the F.Y.** under the provisions 194DA of IT Act 1961 (except death claim case under section 10 (D)).

21. The accounts of Post Office Life Insurance Fund/ Rural Post Office Life Insurance Fund will be kept in the office of the Director, Postal Life Insurance, Kolkata.

22. A policy holder holding a policy other than Anticipated Endowment Assurance and 10 Year Rural PLI policy may at any time apply for reduction of his **monthly premium and sum assured without altering the class of his policy**, or after payment of premia for not less than

three years he may apply to have his policy made paid—up for a reduced sum assured free from further payment of premium.

23. No conversion of a policy as would put the date of maturity or of cessation of premium to a date preceding or **within one year from the date of conversion is admissible.**

24. **Settlement of early death claims**

Cases of early death i.e., before completion of 3 years from the date of Acceptance of a policy will be investigated thoroughly to enquire if the insurant while submitting the proposal had suppressed material information which otherwise would not have allowed the proponent to be eligible for PLI/RPLI and it should be examined whether insurant was suffering from any disease prior to taking of a policy.

25. In death claim for **an amount up to 3,00,000/-** (three lakh only), where no nomination exists or nominee pre-deceases insurant, the production of succession certificate may be **waived by the Head of Circle**, provided the case is recommended by the Postmaster General concerned on valid grounds.

26. **Surrender of Policies**

| PLI Scheme | Period | RPLI Scheme | Period |
|-----------------------|-------------------------------------|----------------------|-------------------------------------|
| WLA, CWLA, EA & YS | After 3 years | WLA, CWLA & EA | After 3 years |
| AEA & CP | Surrender facility not available | AEA, Gram Priya & CP | Surrender facility not available |

Note: - Not eligible for bonus if surrendered before **completion of 5 years.**

27. **Lapsing of policy within thirty-six months and settlement of death claims-**

- (i) The policy for which any premium/premia have become due, not paid either on **first day of the month for which the premium is due or within the period of grace allowed** as per Rule 44, the policy shall become **void**. If premium not pay exceeding **six month** from date of acceptance policy will become **lapsed**.
- (ii) In the case of a policy which has **not completed thirty-six months** from the date of acceptance of the policy and where any premium/premia have become due, not paid either on first day of the month for which the premium is due or within the period of grace allowed. the policy shall become void and if death of the insurant takes place at any time after becoming the policy void. **The benefits shall be payable to claimant-**

(Remission period)

| S.L. No. | Death occurs after date of acceptance of policy | Remission period |
|----------|---|------------------|
| 1. | Within 6 months | Nil |
| 2. | Within 12 months but not before 6 months | 30 days |
| 3. | Within 24 months but not before the 12 months | 60 days |
| 4. | Within 36 months but not before 24 months | 90 days |

Note-The premium up to remission period should be recovered from payment with interest.



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28. Lapsing of policy after thirty-six months and settlement of death claims-

- (i) If in the case of a policy which has remained in force for not less than 36 months from the date of acceptance of the policy, the policy shall cease to be active and treated as lapsed at the end of 12 months from the date the first unpaid premium had become due in respect of such policy.
- (ii) For the policies in respect of which premium is paid annually in cash in advance no refund of premium shall be allowed except in the case of a claim arising out of death when the premium for the unexpired months shall be refunded.

29. Revival of Policies

Any number of occasions during the term of policy but the policy has not attained the date of maturity and the life assured is insurable at the time of revival.

30. Loan On Policies

| PLI Scheme | Period | Loan Amount | RPLI Scheme | Period | Loan Amount |
|------------|-----------------------------|---|----------------------|-----------------------------|---|
| WLA & CWLA | After 4 years | 90 % of Surrender Value Min. Rs. 1000/- and multiple of Rs. 100/- | WLA & CLWA | After 4 years | 90 % of Surrender Value Min. Rs. 1000/- and multiple of Rs. 100/- |
| EA & YS | After 3 years | -do- | EA | After 3 years | -do- |
| AEA & CP | Loan facility not available | -do- | AEA, Gram Priya & CP | Loan facility not available | N/A |

- i. The second or subsequent loan shall not, however, be granted until full repayment of the previous loan.
- ii. The postmaster of CPCs of HO/GPO may sanction without any limit.
- iii. The loan may be repaid at any time. It may also be paid in instalments of amount not less than Rs. 100/-. Interest will be charged @ 10% per annum compounding half yearly from the date of disbursement of loan.
- iv. In the event of defaults in the payment of half yearly interest or defaults in repayment of loan, the Postmaster/Manager of Central Processing Centre (GPO/Head Office), will send to insurant when loan capitalization (including due interest) reaches-

| | |
|--------------------------------|--|
| 1st reminder | When Loan+ Interest = 90 % of Surrender value |
| 2nd reminder | When Loan+ Interest = 95 % of Surrender value |
| 3rd reminder | When Loan+ Interest = 100 % of Surrender value |

Note- If the due amount is unpaid within 30 days from the date of issue of 3rd reminder, the policy shall be forcibly surrendered and the balance, if any of such surrender value will be paid to policy holder thereto.



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However, the forced/auto surrender shall not be applied in following cases:

- (i) Where policy becomes a claim
 - (ii) Maturity date of the policy is within the next **one year**.
- 31. Suicide Cases**
- (i) **Payment of 80% of premia paid** or surrender value whichever is higher, in case of suicide committed before expiry of one year from the date of acceptance or date of revival of the policy, whichever is later and,
 - (ii) **Treated suicide case at par with other death claim cases** if suicide committed after one year from date of acceptance or date of revival of the policy, whichever is later.

Handling PLI/RPLI Maturity/Survival Claim cases.

- 1) Each and every CPC shall generate a Detailed Pending Maturity Policy report through McCamish software on the first working day of the month, **2 months in advance** i.e., report for the month of March shall be generated on 1st working day of January.
- 2) An Intimation Letter shall be sent by the CPC concerned to all policy holders, listed/showing in the report so generated, latest by 5th working day of the month in which report is generated. The intimation will be sent through Registered AD and shall be accompanied will blank Maturity /Surviva1 Benefit claim form.
- 3) All PLI/RPLI death claims which are presented **after 3 years from** the date of acceptance of proposals or date of revival of policy, whichever is later, **there is no need for carrying out any Inquiry in the matter**.
- 4) Where death of insurant occurs within 3 years from the date of acceptance of proposal or date of revival of policy, whichever is later, the CPC shall submit all the documents to **approving authority for investigation and death claim inquiry**.

5) Time limit for various work.

| Nature of work | Service Standards |
|---|-------------------|
| Issue of acceptance letter/Issue of policy bond | 15 Days |
| Maturity claims settlement/Paid up value of policy/ Survival benefit payment. | 15 Days |
| Settlement of PLI/RPLI death claims | |
| (No inquiry is required) | 30 Days |
| (Involving investigation) | 90 Days |
| Revival of policy | 15 Days |
| Conversion of policy | |
| Loan against policies | 10 Days |
| Change of address | 5 Days |
| Change of nomination | 10 Days |
| Assignment of policy | 10 Days |
| Issue of duplicate policy bond | 10 days |



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6) Approver limits as under:

- (i) New proposals, revival, surrender, forced surrender, maturity, survival, death claims (except early death claims)-PLI & RPLI-

| Approving Authority | Amount Limit (Single or aggregate sum assured) |
|---|---|
| Postmaster (HSG-I/HSG-II), Sr. Postmaster (Gr. B), Dy. Chief Postmaster (Gr. B), AD of HO (Gr B) headed by Director | Up to Rs. 20 lakhs |
| Head of Division (Gr A/ Gr B), Chief Postmaster (Gr A), Dy. Director of HO (Gr A) headed by Director | More than Rs. 20 lakhs and up to Rs. 50 lakhs |

- (ii) Early death claim (**Death within 3 years of acceptance of policy**)-PLI & RPLI.

| Approving Authority | Amount limit |
|--|---------------------------------------|
| Director GPO (JAG)/ Director (HQ)/Regional DPS (JAG) | All cases irrespective of Sum Assured |

- 7) Appeal in PLI/RPLI Death Claim cases-** An appeal can be submitted by the claimant against rejection of Death Claim case.

8) Appellate Authority-

| S.No | Approving Authority | Appellate Authority |
|------|---|---|
| I. | Postmaster (HSG-I/HSG-II), Sr. Postmaster (Gr. B) | Divisional Head |
| II. | Dy. Chief Postmaster (Gr. B) | Chief Postmaster (Gr A) |
| III. | AD of HO (Gr B) headed by Director, Dy. Director of HO (Gr A) headed by Director | Director (GPO) |
| IV. | Head of Division (Gr A/ Gr B), Chief Postmaster (Gr A), | Director Postal Services (Region/HQ) |
| V. | Director Postal Services (Region) | Postmaster General |
| VI. | Director Postal Services (HQ) | Chief Postmaster General |

- 9) The Appeal may be submitted by the claimant herein after called appellant to the Appellate Authority within **90 days** of receipt of the rejection letter.
10) The Appeal shall be decided within **45 days** from the date of receipt of appeal by the appellate authority.

11) Record Retention and Document Management Policy for PLI/RPLI-

| S.L. | Type of Policy | Schedule |
|------|--|--|
| 1. | Policies where less than 3 years of premia paid and policy is lapsed. | 5 years after maturity date is over |
| 2. | Policies where at least 3 years of premia paid and policy is surrendered | 5 years after payment of Surrender value |



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|----|--|--|
| 3. | Policies where atleast 3 years of premia paid and policy is Forced Surrendered | 5 years after the date of Forced Surrender |
| 4. | Policies where at least 3 years of premia paid and insurance contract is discharged due to Maturity or Death | 5 years after payment of Maturity/Death Claim amount |
| 5. | Policies cancelled at the option of Insurant during ' Free Look ' period | 5 years after cancellation of the policy |
| 6. | Policies which are subject matter of any case filed in any court of law | 3 years after final clearance from arbitration, litigation, enquiry or audit as the case may be or till the prescribed retention period, whichever is later. |

Note- Physical records shall be weeded out per above schedule, in the month of **May every year** as per the Record Retention Schedule of Government of India.

Silent features of new promotional structure

- (1) The post of Group Leader has been rechristened as Development Officer.
- (2) **Eligibility-** PA/LSG/HSG officials are permitted to be eligible for selection as DO.
- (3) **Age limit -** Candidate should be minimum 25 years old and should not be above **55 years**. (on the date of calling of applications).
- (4) **Work Experience-** The candidate should have minimum 5 years of continuous service in Department of Posts in PA cadre as on the date of calling of applications.
- (5) **Sales force of PLI and RPLI comprise of Direct Agents, Gramin Dak Sevaks, Field Officers and Departmental Employees-**

| Category of Sale force | Minimum age limit | Maximum age limit |
|-------------------------------|--|--------------------------|
| Direct Agent | 18 years | No age limit |
| Field officers | Retired/Discharged Central/State Govt. officials and GDS | No age limit |
| GDS | 18 years | 65 years |
| DE | 18 years | 60 ears |

- (6) For procuring PLI/RPLI business, Departmental employees will also include Inspector of Posts (IP) and Assistant Superintendent of Post Offices (ASP).
- (7) No minimum business requirement for any sales force in a financial year. The condition of procuring four PLI/RPLI policies for sales force in financial year is done away from 01.04.2025.
- (8) If Departmental employee is promoted to such a post, where he/she cannot procure new

business, the official will earn incentive on policies which were procure before promotion of the post.

- (9) No incentive shall be paid to sales force on termination of engagement due to involved in the fraud, dishonesty, forgery, criminal office etc. in case of DA/FO and dismissal/ removal from service/engagement in case of DE/GDS.
- (10) **Nomination facility-** Nominee/legal heir will be received incentive, in case of death of sales force while his agency is in currency. He/she had continuously worked as an agent a period not less two years from his/her date of appointment before his/her death and policies 8 different lives were in full force on a date immediately prior to his/her death. No new business will be procured on that agency by nominee/legal heir.
- (11) **Incentive after discharge of DE/GDS-** DE/GDS will continue to earn renewal incentive even after the superannuation/Discharge from service, is received provided he/she enrolls himself/herself as Field officer within **three months** of superannuation/ discharge from service.
- (12) Sale force of PLI/RPLI may procure PLI/RPLI business **from anywhere in a Postal Circle.**
- (13) Direct agent security of Rs. **5000/- pledged to President of India** with custody of divisional Head.
- (14) The permanent license will be valid for a **period of 5 years** from the date of engagement of the Field Officer, which may be renewed by the Head of Postal Division every year thereafter, on the basis of satisfactory business performance by the Field officer.
- (15) A shortlisted Field Officer(Direct Agent) will be required to deposit a fee of:
 - (i) Rs 50 /- for issue of provisional license,
 - (ii) Rs. 100/- for issue of permanent license,
 - (iii) Rs. 50/- for issue of duplicate license/renewal of permanent license.

New Incentive Structure of PLI

Procurement Incentive:

- (i) Procurement Incentive rate for PLI policies other than AEA (*i.e.*, WLA, CWLA, EA, CP and YS).

| Premium paying term | Incentive Structure |
|---|----------------------------------|
| Up to and equal to 15 years | 4% of first year premium income |
| More than 15 years but less than or equal to 25 years | 10% of first year premium income |
| More than 25 years | 20% of first year premium income |

- (ii) Procurement Incentive rate for PLI Anticipated Endowment Assurance Policies.

| Premium paying term | Incentive Structure |
|--------------------------------|---------------------------------|
| Less than or equal to 15 years | 5% of first year premium income |
| with term beyond 15 years | 7% of first year premium income |



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- (iii) **Renewal Incentive-** @ 1% of renewal premium will be payable to all sales force of PLI w.e.f. 01.07.2020.

New Incentive Structure for RPLI

- 1) **Procurement Incentive:** - For all types of RPLI policies, each category of sales force will get procurement incentive @ 10% of procurement premium.
- 2) **Renewal Incentive:** - For all types of RPLI policies, each category of sales force will get renewal incentive @ 2.5% of renewal premium.

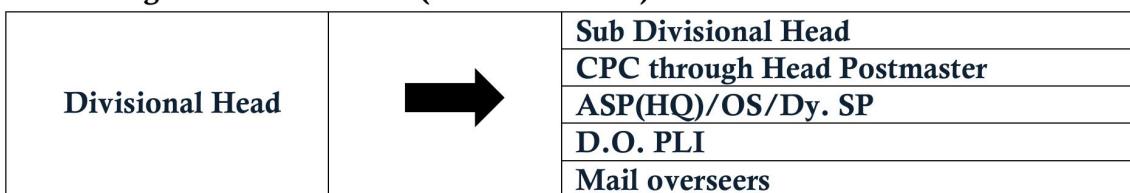
Notes

- **Incentive on Online/Cash/Pay policies:**
- (i) **Procurement incentive** at the rate prescribed above will be payable on PLI/RPLI policies in case of online/cash/pay policies.
 - (ii) **Renewal incentive** at the rate prescribed above will be payable on PLI/RPLI policies in case of online/cash policies. No renewal incentive will be payable in case of pay policies.

Note- Since July 2023 the procurement/renewal incentive on PLI/RPLI is being credited through Portal direct in the POSB Account.

PLI/RPLI Incentive to Monitoring Staff of Division.

- 1) Monitoring of sale force team- (Divisional level)



- 2) Procurement Incentive rate on PLI/RPLI policy to Divisional Head, ASP(HQ) /OS, Sub Divisional Head and D.O.PLI w.e.f. 01.04.2025

| Officer eligible for procurement incentive | @ Rate of Incentive | New business procured by |
|--|---------------------|-----------------------------------|
| Divisional Head | 0.2% | All sale forces (DE/FO/GDS/DA) |
| Sub divisional Head | 0.8% | DE under Administrative offices. |
| | 0.6% | GDS under Sub Dn. |
| D.O. PLI | 0.8% | DE under Sub Dn. |
| Mail Overseer | 0.2% | DA/FO |
| | | GDS under him. |

- **No renewal incentive** on PLI and RPLI policies will be paid to **Divisional Head, ASP(HQ)/OS/Dy. SP, Sub Divisional Head, Mail overseers and D.O.PLI.**

1. **Payment of PLI/RPLI Renewal premium through following modes-**
 - a) IPPB Mobile App
 - b) IPPB Counter
 - c) Micro ATM (Through Postman & GDS)
 - d) SI through IPPB Account.
2. **MDR (Merchant Discount Rate)** Charges in r/o PLI/RPLI online transactions to be borne by Customers w.e.f. 17.01.2022.
3. **Payment of Honorarium to PLI CPC Staff, paid after policy bond issued.**

| Activity | Honorarium Amt. per New PLI/RPLI business proposal. (In Rs.) |
|--|--|
| Indexing of New Business Proposal (At BO, SO & HO) | 2 |
| Scanning Assistance at CPC | 2 |
| Data Entry operator at CPC | 2 |
| Quality Checker at CPC | 2 |
| Approver at CPC | 2 |
| Issuance of Policy Bond | 2 |
| Total | 12 |

GST on PLI Incentive

Incentive paid to the PLI/RPLI Sales Force (DO, IP/ASP, Dept. employees, GDS, Field Officers & Direct agents), attracts GST @ 18% (CGST-9% & SGST/UTGST-9%) along with TDS on Income Tax @ 5% as decided by the PLI Directorate. As the individual Sales force do not have GST registration, is to be paid by DOP to GST Department under “Reverse charge Mechanism”.

ILLUSTRATION OF PLI / RPLI INCENTIVE PAYMENTS

| S.L. No | PLI/RPLI | Amount |
|---------|--|---------------|
| a) | Incentive Amount earned by Sales Force | 10000.00 |
| b) | CGST under RCM — @9% | 900.00 |
| c) | SGST/UTGST under RCM — @9% | 900.00 |
| d) | Less IT TDS - @5 % - Section - 194D (On the Amount at Sl. No: 1), as applicable | 500.00 |
| e) | Net Payable to <i>the sales Force (a) — (d)</i> | 9500.00 |
| f) | Amount Payable to GST Department under RCM [(b) + (c)] | 1800.00 |



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1. Launch of PLI Mobile Training App (PMTA) for sale force of PLI/RPLI in collaboration with the Insurance Institute of India (III), Mumbai **on 12.10.2022.**
2. This app is developed in **12 languages.**
3. Training for FO/DA at division level for **3 days in-house and 3 days practical regarding promotional and incentive structure.** The said training will now be modified and shall be of **15 hours on** training App from the registration by DA/FO.
4. New and Existing DE and GDS as sale forces have to undergo 15 hours training on app and also pass the licentiate examination. Initially, the training fee paid by DE/GDS. After submission of certificate of training and examination, the *fee* paid by DE/GDS will be reimbursed by Division by issuing sanction order.
5. Online training is open for a duration of 30 days from the date of activation by the candidate. It has **15 hours** of mandatory training. After the training, the candidate can appear in online licentiate examination with unlimited attempt within 30 days of activation.
6. The fee for training and examination **Rs. 339/- + GST = 400/-** paid by candidate.

| | |
|---|--------------------|
| Training and Book Pdf (Downloadable) | -Rs. 219.00 |
| Examination Fee | -Rs. 120.00 |
| GST | - Rs. 61.00 |
| Total | -Rs. 400.00 |

7. If the candidate is not able to complete both i.e., **15 hours training** and examination **within 30 days**, then candidate needs to pay fees Rs. 400/- again. If candidate not able to pass examination within 30 days candidate need to pay Rs. 120 only for examination.
8. The candidate has to get **35% to pass the examination.** There will total 25 questions. After passing the examination candidate can generate training cum examination Certificate of Licentiate examination from App itself.
9. Direct agent/ FO required to clear licentiate examination **with 3 years.** The provisional license will be converted in permanent license.
10. Target to every postal division to engage **10 DAs in every month.**

Govt. India's Decision.

1. GST @18% on default fee on late deposit premium of PLI/RPLI.



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