

16 Postal Life Insurance Scheme (PLI)

Postal life insurance scheme was initially started on Feb. 01, 1984 for Post & Telegraph Employees. Only after looking at the benefits of low premium & more profitability the scheme was extended for the employees of defence sector / Railway/ Govt./ Semi Govt. / Nationalised bank/ Public Sector. Postal department Deputes Development officers/ Divisional officers for promotion of the policy. Investments made in postal insurance scheme are deductible (Max. Rs. 1,50,000) u/s 80 C. & Maturity amount is tax-free.

Policy	Policy Period Min/Max. (Yrs)	SA Min/Max	Age in Yrs. Min/Max	Max. Maturity Age	Benefit on maturity/ on normal or accidental Death	Remarks Rate of Bonus / 1000	
						2005-06	2010-11
Endowment Policy	14 - 41	$\frac{20000}{10 \text{ Lakh}}$	$\frac{19}{55}$	60	SA + Bonus + Terminal Bonus	Rs. 77	Rs. 70
Whole Life Insurance	36 - 41	$\frac{20000}{10 \text{ Lakh}}$	$\frac{19}{55}$	Premium Stopped after 60 Yrs. Of Age	SA + Terminal Bonus	Rs. 96	Rs. 90
Convertible Whole life	31 - 41	$\frac{20000}{5 \text{ Lakh}}$	$\frac{19}{50}$	50, 55, or 58	SA + Bonus	For first 5 Yrs. After Change	Rs. 90 Rs. 70
Money Back	15 - 20	$\frac{20000}{5 \text{ Lakh}}$	$\frac{19}{40/45}$	60	SA + Bonus	Rs. 75	Rs. 65
Joint Life Insurance	5-20	$\frac{40000}{5 \text{ Lakh}}$	$\frac{21}{45}$	45	On death of any one partner SA + Bonus + Terminal Bonus	Rs. 77	Rs. 77

* SA = sum Assared

17 Credit Cards

A Credit card is also called as *plastic money*. Dinners Club, VISA, Maestro and American express are a few brand names which are generally seen on their respective credit cards. The credit cards are generally issued in 3 categories, namely – Platinum/ Gold/ Silver.

- Credit cards are issued to adults (Max. 65 Yrs) having min. Rs. 72,000 Yearly income.
- Credit Limit is decided on the basis of 3 Cs of the applicant – Character, Capacity & Credit.
- Please look for following points while selecting a credit card.
Annual fees : Normally from Rs. 0 – Rs.1200
Grace Period : Normally 30 – 50 days.
Rate of interest : 2.5 % - 3 % Per month (40-45 % Yearly)
Joining fees : Rs. 100-300, Add-on cards fee Rs.150-600
- Accident / Life / Baggage insurance & purchase protection cover are provided with credit cards on payment of nominal premium monthly.
- Credit cards are used for a given amount (if full amount is not paid) then by paying 5% of total amount due, credit can be forwarded to next month. On the balance amount 2.5 to 3% per month interest is charged. If cash is withdrawn from credit card then 2.5% processing fee is charged extra. towards cash advance.

Note: T&C of credit cards from different banks can vary from time to time.

