

GTI FAQ by AIGETOA

S.No	Query	Reply by LIC
1.	What is GTI	Group Term Insurance Scheme. Under which Life cover will be given to the participants at special rates as decided between BSNL and LIC
2.	Why is it needed?	Mainly to indemnify the family from the loss due to the death of insured.
3.	GTI for BRs only?	No, Current GTI for any executive of BSNL whether absorbees or BSNL recruitees
4.	GTI for executives only?	Please refer point no.3. In next phase GTI process for non executives would be started.
5.	What is difference between conventional normal Insurance plan and Term plan.	Conventional normal insurance plan are life insurance plan that may guarantee some returns to the policyholder at the time of maturity. However the Group Term insurance continues for a specified period of time as terms taken by policy holder and no return on completion of term. In BSNL, it is being provided at very low rate without any requirement of Medical test etc.
6.	GTI will cover upto which age?	Upto Normal Retirement Age
7.	Which type of claims GTI will cover ?	Death Claim (i.e. Death due to any reason)
8.	Will it cover accidental and/ or partial/complete disability coverage?	It will cover due to any reason depending on type of rider but it will result in additional cost in premium and then medical will be required.
9.	Will it cover suicide?	Yes
10.	What will be Amount in different case of disabilities / suicide ?	Nothing will be given for disabilities. However in case of death, including suicide amount 50 lacs will be given.
11.	Will it return / refund any portion of amount after maturity ?	NO
12.	Could we extend it beyond retirement?	NO

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13.	What if retirement age reduced by BSNL?	The GTI scheme is presently up to Retirement age.
14.	What if any employee resigns or goes on deputation to another department?	The member will be covered under the scheme as far as he is in the employment of BSNL and the premium is being received from BSNL
15.	The amount of 1.60 Per thousand will remain same after 50 years?	It will remain same up to retirement for all, those who enroll GTI before the age of 50 years. A slight variation in premium may come when it would be reviewed in 3 years.
16.	Whether any medical test will be required at initial?	NO
17.	What is process of settlement i.e directly between employees and LIC or between Employees BSNL and LIC.	The Claim documents will be submitted through BSNL. The claim proceed may be settled in favour of Nominee directly.
18.	Whether premium payment is centralised from Corporate office?	Yes
19.	Existing GSLI will be continued or Not ?	It may be continued
20.	Will GSLI cover suicide?	Please refer GSLI rules.
21.	After opting in how much time GTI will be affected?	As soon as,MoU will be signed between BSNL and LIC.
22.	In case of extension or reduction of retirement age,whether policy term will changed	There will be no change in policy terms. However in case of extension of retirement age the GTI will continue.
23.	What is benefit of BSNL GTI in comparison to open market Term plan.	Very Low rate of premium, No medical requirement, coverage for all kind of death, Easy Claim process, Only PSU, Highest Settlement ratio, Sovereign Guarantee
24.	My age is 42 years...What is premium of GTI in BSNL. How it is cheaper than market rate?	Premium rate already communicated i.e 1.6 per thousand plus 18% GST. It is cheaper due to group advantage. As per market rate it is Rs 16500 plus 2970 st for 42 years aged person and for terms 18 years. This can be calculated by choosing option eTerm(825) on LIC website.
25.	Why we prefer LIC term plan while other is offering on lower price.	Refer Point 23

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26.	Will GTI be continued in case of suspension or imposition of major penalty.	Yes provided payment of premium is continued.
27.	How many days LIC will take time for settlement of claim?	7 days from the submission of all the documents
28.	Grievance/Issue escalation matrix or procedure?	Life Insurance Corporation of India has a well-established Grievance Redressal machinery in place. The Manager (P&GS) at the unit, The Regional Manager (P&GS) at the Zone and the Chief (P&GS) at the Central Office are the designated Grievance Redressal officers. In addition to this, The Insurance Ombudsman at NEW DELHI also addresses grievances in the matters related to Insurance.
29.	Will member get separate policy document and number from LIC in case of GTI?	No, Only one master policy will be issued to BSNL
30.	What will be the situation in case of company's closure or merger?	The policy is with BSNL, the closure of company will result in to closure of policy on next renewal
31.	Any agreed formulae to calculate premium after 3 years...?	No, the same will depend on the claim experience and employee data
32.	What is grace period to pay premium? What if my premium not paid before due date ie even after grace period..? Any statement will be supplied by showing premiums...?	In case of monthly premium, Grace period will be for 7 days. Beyond that late fee (@9.5%pa) & GST will be charged.
33.	Simultaneously 2 GTI or Term insurance could be availed? Is their any ceiling on amount for term insurance?	Simultaneously, 2 GTI Insurance could be availed as is the case of those having GTI in MP Telecom Circle through LIC Bhopal division, and probably such executives may opt GTI with LIC Delhi division. In this case, total cover would be 50 plus 50 lacs. However within the same LIC division 2 GTIs can be continued butt total cover can

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		not exceed Rs.50Lacs. Individual term plan(s) can be continued/availed along with GTI. There is no amount bar in the case of Individual Term Insurance policy.
34.	What are the cases/ clauses for which GTI will not mature after demise of a member?	Death due to any reason is covered.
35.	After death when claim of 50 lacs given to family of deceased person, whether this amount is taxable?	Tax free u/s 10 (10D) of income tax act
36.	Whether monthly/quarterly/HY options are available?	Options would be available but 2%, 4% and 6% premium will increase respectively.
37.	If it's yearly, in which month it will deduct?? Like april or jan etc.	It depends on MoU signing month. Suppose MoU is signed in December month then deduction will start December's salary.
38.	If anyone wants to join later is it possible?	Joining is permitted only on ARD i.e Annual Renewal Date.
39.	Is entry /exit from policy is possible at any time??	Not any time, as per MoU after 3 years.
40.	Whether executives eligible for taking the benefit of more than one term plan.	Yes, Individual term plan/plans can continue along with GTI.
41.	Whether possible to extend the Group TERM plan upto 70 year.	No, It is up to Retirement Age Only. Current retirement age is 60 years.
42.	Whether possible to extend Group term plan upto 1 Crore.	No, GTI limit with LIC is only 50 lacs.
43.	Whether suicide cover from first day or after one year.	First day, provided his/her premium has been credited with LIC.
44.	Is it compulsory	No
45.	Can we get individual receipt for income tax purpose?	Yes

FAQ has been prepared with inputs taken from those dealing with the process and LIC officials . Actual and Exact Terms can be known only after MoU is signed and policy document is made available.