

## **INSURANCE ON THE LIVES OF WOMEN**

The approach to canvassing ladies for insurance should be governed with caution. Further, if ladies have personal history of any illness or any other adverse features, it adds to the risk.

Moral Hazard is an important factor in the case of insurance of women and the corporation has therefore, to guard against the possibility of selection being exercised against it by the proposer. Therefore, Agents must see that the proposers from whom they obtain proposals, in the first place, have a genuine need for insurance.

Proposals for assurance on the lives of ladies will generally be considered in relation to their income, employment, educational standard socio-economic background etc. Proposals will not be entertained on the lives of ladies who observe purdah, whether full or partial.

### **CATEGORIES OF LADIES:**

Ladies have been classified in to 3 categories for underwriting purpose.

#### **1. CATEGORY - I**

- i) 'Women with earned income by virtue of employment in institutions are eligible for insurance cover under non-medical (special) scheme and employed with Govt. Quasi. Govt. reputed commercial institutions even if NMS is not introduced.
- ii) 'Notwithstanding what is stated in subclause (I) above, females employed in commercial institutions will now be considered as female category – I for the purpose of granting insurance cover subject to submission of addendum to the proposal and fulfillment of the following conditions:
  - (a) Minimum educational qualification S.S.C. or equivalent examination passed.
  - (b) Standard age proof for admission of age.
  - (c) Evidence of income as per the addendum prescribed (vide C.O. Cir. Ref. Act/1760/4 dt. 27.09.2001)
  - (d) Minimum period of service with the present employer one year.
  - (e) The firm/ company financial institution should have been established more than three years ago.
  - (f) Provident Fund deduction and Gratuity payment under Gratuity Act, 1972 are required to be applicable to the company.

#### **2. CATEGORY - II**

'Women with unearned income attracting income tax and having sizeable properties and / or investments yielding income attracting income tax are treated as category- II females.' Table 43 will not be allowed to category II women. Therefore proof of income for this category of women will be copies of ITRs for last three years. A certificate from C.A. can be accepted

only if PAN has been allotted and the same is mentioned in the certificate. P.F.Q. is not allowed for this category. (Ref.C.O. Cir. Ref.: Actl/1854/4 dt. 14.02.2003)

**Note:**

- (i) Women falling under female category II are allowed maximum insurance of Rs. One Crore. However, if the women falling under female category II are technically qualified and are taking active part in the day to day running of their partnership / proprietary business they can be considered as female category – I if recommended by the M.M. / S.D.M. with evidence. Such proposals will be underwritten at CUS. (vide C.O. Cir. No. Actl/1854/4 dt. 14.02.2003).
- (ii) Funding from husband's income in respect of married women falling under female category I & II.

At present funding from husband's income is not allowed in respect of married women falling under category I & II it is now decided to allow funding from husband's income to married women falling under category I & II subject to following conditions: (vide C. O. Cir. No. Actl/1854/4 dt. 14.02.2003).

- (a) Calculate maximum cover allowable to women falling under category I & II on the basis of their own income as per the existing rules.
- (b) If the maximum allowable cover is less than Rs. 40 lacs the shortfall can be funded from husband's income.
- (c) The amount of over to be funded from husband's income will not exceed the insurance on his own life. Income of husband should be adequate for total rated up insurance on his own life, insurance funded on the lives of his children from his income and the cover to be funded on wife's life.
- (d) No funding from husband's income will be allowed if the women falling under female category I & II are eligible for cover of Rs. 40 lac or more on the basis of their own income.

**3. CATEGORY - III**

Those women who are not covered by category I or category II above are treated as category III females for the purpose of insurance. The following types of women in this category are considered as category III women.

- i. Single women
- ii. Married women dependent on husband's income
- iii. Widows
- iv. Self employed women
- v. Female students

### INSURANCE TO CATEGORY III WOMEN

Types of women	Allowable sun Assurance
1. Married women	<p>Equal to husband's in force insurance can be given provided husband can support the total insurance on his own life as well as on his wife's life and on the lives of dependent children. Maximum S.A. will not exceed Rs. 10 lacs</p> <p>However, central office may consider S.A. up to Rs. 30 lacs but not exceeding the S.A. on the life of Husband subject to the Following conditions-</p> <p>a) She must be a graduate.  b) She has any of the following</p> <ol style="list-style-type: none"> <li>i. Mediclaim cover</li> <li>ii. Credit card</li> <li>iii. Driving licence and Passport</li> </ol> <p>Proofs under (a) &amp; (b) above must be submitted along with the income proof. Proposals in excess of Rs. 10 lacs will be underwritten at ZUS instead of CUS as per Cir. Ref.: Actl/1854/4 dtd. 14.02.2003</p>
2. Single women	<p>On consideration of insurance needs, depending on her independent income, financial status of the family and the amount of insurance on the lives of father, mother and other insurable family members Maximum S.A. Rs. 5 Lacs.</p>
3. Self Employed women like milk maids, vegetable vendors etc.	<p>Maximum S.A. or Rs. One Lacs or 5 times of stated income whichever is less</p>
4. Unmarried female students who have attained majority	<p>Maximum Rs. One crore provided such female life has completed SSC or equivalent examination and in continuing further studies within parents own insurance and overall eligibility. (see notes about children)</p>
5. Widows (Category III)	<p>No income – no insurance to be granted. With income, but not attracting income tax maximum Rs. One lac but within 7 times of proposer's income; can be considered, provided following conditions are satisfied.</p> <ol style="list-style-type: none"> <li>1. The age at entry of the Widows less than 50 years</li> <li>2. The life to be assured has a minor child or children</li> <li>3. The life to be assured is literate and educated at least upto high school level i.e. at least 9<sup>th</sup> standard vide c.o. Cir. Ref. Actl/1916/4 dt. 24/11/2003.</li> <li>4. The age proof produced is standard.</li> <li>5. Moral Hazard Report by DM'S or above club member agent or by Development officer/ ABM(S) in the prescribed format. Specimen of the format is given in the note. Insurance in excess of Rs. One lac may be granted subject to adequacy of Proposer's income but not exceeding Rs. Two lakhs. (Vide C.o. Cir. No. Actl/1892/4 dt.09.08.2003)</li> </ol>

**NOTE :**  
**TABLE NO. 89:**

(A) Maximum insurance to female lives under Jeevan Sathi Plan:

**Female category I:** on par with male proposer depending upon the adequacy of income.

**Female category II:** Maximum sum assured will be Rs. 50 lacs provided proposer is able to produce copies of income tax orders or true copies of income tax Returns submitted to income tax authority. In the absence of any such copies maximum insurance permissible will be Rs. One lac.

**Female category III:** Maximum Insurance:

- (a) Housewife: Rs 1 lac, however maximum sum assured can be considered upto Rs. 10 lacs and equal to husband's insurance. (C.O. Cir. Ref. No.: Actl/1837/4 dtd. 20.11.2002).
- (b) Self-employed: maximum insurance Rs. One lac including insurance held under other plans of assurance.

(B) Standard age proof is a must under Table No. 89.

(C) Two caesarian Sections:

- (a) Table No. 89 will be allowed with charging extra in the following cases: -
  - (i) Females lives with history of two caesarian section operations, who have undergone sterilization subsequently.
  - (ii) Female lives with past two caesarian section operations, though not undergone sterilization but who have attained menopause.
- (b) In cases, a female life has neither undergone sterilization nor has attained menopause, table no. 89 can be allowed with single extra of Rs. 2 % o S.A. (C.O. Cir. Ref.: Actl/1851/4 dtd. 23.01.2003)

(D) Plans not allowed to category III women –

- (i) Table Nos 43, 52, 58, 88, 103, 114, 121, 131, 133, 150, 153 and 164.
- (ii) Term Rider Benefit is also not allowed to category III women under any plan.
- (iii) Critical Illness Rider Benefit is not allowed to category III women.

**CLAUSE 4 – B:**

Policies to category III married female lives (aged 18 years completed to 30 years) will be issued subject to clause 4-b according to which in the event of death of the life assured occurring as a result of:

- i. Intentional Self Injury
- ii. Suicide or attempted suicide
- iii. Insanity

- iv. Accident other than accident in a public place or
- v. Murder

At any time on or after the date on which the risk under the policy has commenced but before the expiry of 3 years from that date of this policy "the corporations liability shall be limited to the sum equal to the total amount of premium (exclusive of extra premium, if any) paid under the policy without interest."

However, in case of suicide within one year from the date of the policy, provision of suicide clause in the policy will prevail. Whenever applicable, consent for imposition of clause 4-b must be obtained."

"If felt absolutely necessary clause 4-B can be imposed even though the Proponent comes under category II".

(vide C.O. Ref. Actl/1526/4 dtd. 20.07.1993)

Proposals for insurance will not be entertained in following cases:

- a) Women who observe purdah whether full or partial.
- b) Proposals received within 3 months from the date of delivery.
- c) Women who has many miscarriages.
- d) A married women satisfying the criteria specified by corporation like only category I & II who are under the care of gynaecologist will be allowed insurance within 24 weeks of pregnancy on medical basis, subject to submission of sonography report if the SUC is Rs. 5 lac and above & report from gynaecologist in the form No. 3341. Plans having term assurance element like table nos. 43, 52, 58,88,89, 103, 106, 107, 108, 114, 121, 133, 140, 143, 150 & 153 will not be allowed. (SUC as per C.O. Cir. Actl/1889/4 dtd. 31.07.2003)
- e) A Married women who, though not divorced, is living separately from her husband (the proposal may be considered after ascertaining the reasons).

Note:

**i) Widows:**

Under all cases on the lives of category III widows. M.H.R. should be given by D.M.'s or above club member or by Development officer / ABM (S) in which the following details must be given:

- Whether she is whole time employee and /or engaged in the business.
- Exact nature of duties of the life proposes and details of business etc.
- How many hours per day she devotes to work
- Names of all children and their ages.
- Whether the agent/D.O. / ABM (S) has visited the place of work of the life proposed and he/she is satisfied that the widow is having earned income.

For all the above sections of the Category III Women, the Moral Hazard Report in form No. 3251 by development officer / ABM (Sales)/ Branch Manager should be submitted for consideration for insurance.

## **ii) Medical underwriting of female lives**

Proposals on the lives of pregnant ladies will not be generally entertained.

However, proposal on the lives of pregnant females can be considered subject to the following conditions:

- a) Proposals should be submitted within the first twenty-four weeks of pregnancy.
- b) The female should be Category I or II female and should be under the care of a Gynaecologist. In addition to full medical report from our authorised Medical examiner, a report from a Gynaecologist in Form No. 3341 (Revised) is required (the fees for this report Rs. 50/- should be paid by the life assured; and same will be reimbursed by the Corporation).
- c) Proposals cannot be entertained under non-medical basis.
- d) Plan having term insurance element such as Table Nos. 88, 89, 103, 104, 105, 106, 107, 133, 143, 140, 150, 153, and other term insurance plans will not be allowed.
- e) In addition to Special Reports, as required in terms of the Special Reports Chart effective from 1.8.2003, Sonography Report should be insisted upon if the S.U.C. is Rs. 5 lacs or more.  
(C.O. Cir. No. Actl/1878/4 dt 14.06.2003).
- f) A satisfactory MHR in Form No. 3251 (Revised) from the appropriate competent Authority should be obtained.
- g) If the female life to be assured has a full time confinement and normal delivery and if there is no history of any abnormal delivery or an abortion or a miscarriage at any time in the past, the proposal will be accepted on the same terms as for women not pregnant. In all other cases, the proposal will be accepted with Clause 4(a)
- h) Term Rider Benefit will not allowed.
- i) If the female life to be assured has a full time confinement and normal delivery or an abortion (miscarriage), but not due to septic, at any time in the past, then the proposal will be accepted on the same terms as for woman not pregnant.
- j) Proposals on the lives of ladies who has had history of delivery by caesarian operation shall be considered on payment of a single extra of Rs. 2 per thousand sum assured, or may be considered at standard rates as per the condition mentioned in condition No. (L).
- k) Clause nos. 4 and 5 or imposition of single extra in lieu thereof stand withdrawn.
- l) Proposals for insurance will be considered only three months after delivery, at standard rates, Provided Discharge Summary, Haemogram, Gynaecologist's Report regarding present status without any impairments are submitted with proposal, otherwise single extra of Rs. 2 per thousand sum assured will be charged for consideration of insurance: