

## ANNEXURE- IV

### LIFE INSURANCE CORPORATION OF INDIA

CONDITIONS ON WHICH PROPOSALS ARE ENTERTAINED BY THE CORPORATION ON THE LIVES OF NON-RESIDENT INDIANS  
(AS PER EXCHANGE CONTROL REGULATIONS –  
LIFE INSURANCE MEMORANDUM (LIM))

- i. The life to be assured must be an Indian National or a person of Indian origin temporarily residing in the country of his / her present residence.
- ii. The life to be assured must hold a valid Indian passport.
- iii. Policies in Indian Rupee currency only will be allowed either during their temporary visit to India or on Mail Order Basis.
- iv. The premiums under the policies shall be paid by any of the following manners:
  - a. By direct remittance from the country of his / her present residence through banking channels.
  - b. By cheques drawn on his / her Non-Resident (External) Account or Foreign Currency (Non-Resident) Account with a Bank in India (or Joint Account provided the policyholder is one of the accountholders).
  - c. By cheques drawn on bank accounts held in India in their own names, either solely or jointly with the resident member of their family, i.e., father, mother, husband, wife, children, brother or sister, whether the accounts have been designated as Non-Resident or not.
  - d. By cheques drawn on an account maintained by a resident parent or spouse of the Non-Resident policyholder with a bank in India, held solely or jointly with their close relatives. If the life assured is a bonafide student, premiums can be accepted if paid in India, by somebody else on his behalf.
  - e. By the absolute assignee in India wherever such policies have been assigned to a resident in India.
  - f. By the employers in respect of policies issued to their employees who have been deputed abroad by them.
  - g. Premiums can be paid in cash by a resident parent or spouse of the Non-Resident policyholder subject to his / her submitting a letter stating the relationship with the policyholder.

*(Note: In respect of premium collection in cash or from sources mentioned in c, d, e & f above, it should be noted that the policy moneys cannot be paid abroad in foreign exchange but has to be paid in India only)*

v. Settlement of Claims

- The basic rule – settlement of claims on rupee life insurance policies in favour of claimants resident outside India will be permitted in foreign currency only in proportion in which the amount of premiums paid in foreign currency in relation to the total premiums payable.
- Non-resident beneficiaries

- Non resident beneficiaries of insurance claims / maturity / surrender value settled in foreign currency may be permitted to credit the same to NRE (Non-Resident External) / FCNR (Foreign Currency Non-Resident) account, if they so desire.

- Claims / maturity proceeds /surrender value in respect of rupee life insurance policies issued to non-resident Indians for which premiums have been collected in non-repatriable rupees may be paid only in rupees by credit to NRO (Non-Resident Ordinary) account of the beneficiary. This would also apply in cases of death claims being settled in favour of non-resident assignees / nominees.

- Resident beneficiaries of insurance claims / maturity / surrender values settled in foreign currency may be permitted to credit the same to RFC (Resident Foreign Currency) accounts - if they so desire.

vi. The restrictions in regard to export of policies have been withdrawn.