

**Insurance to Non- Resident Indians (NRIs)**  
(Vide C.O. Cir. Ref.: - Actl/1923/4 Dated 19<sup>th</sup> December 2003)

The procedure and rules relating to insurance of policies to Non-resident Indians were reviewed and it has been decided to issue the following revised instructions:

**Non – Resident Indian:**

A non-resident Indian is a citizen of India temporarily residing in the country of his/her present residence and holding a valid passport issued by the Government of India.

The NRI should not be a green card holder. He / she should not have applied for or planning to apply in the near future for acquiring citizenship of his/her present country of residence or any other country.

Foreign Nationals of Indian Origin are not to be treated as NRIs for the purpose of allowing insurance.

**NRIs can be allowed insurance:**

- i. On their visit to India – insurance cover is canvassed in India and all formalities regarding filling in the proposal forms, obtaining medical examination report/special medical reports and Moral Hazard Report are completed during their stay in India.
- ii. Form their present country of residence – known as **MAIL ORDER BUSINESS** –where all or some of the formalities regarding filling in the proposal forms, obtaining medical and special reports are completed in their present country of residence.

**Minimum Sum assured**

Proposal from NRIs will be considered for a minimum basic sum assured of Rs. 2 lacs. Sum assured over Rs. 2 lacs will be in multiple of Rs. 1 lac.

**Maximum Sum Assured**

There is no maximum sum assured limit when all formalities are completed in India on the NRIs visit to India.

A maximum sum assured of Rs. 1 crore may be allowed under Mail Order Business, i.e. where all formalities are completed in the NRI's present country of residence.

The maximum sum assured to be allowed will be in according with the existing rules for financial under writing.

## **Income Proof**

Proof of income in the form of income tax returns filled in the country of residence is to be called for when the total rated up sum assured exceeds Rs. 15 lacs. If tax returns are not filed, then copy of employment contract mentioning salary or a certificate from a Chartered Accountant regarding business/ other income is to be called for. Personal Financial Questionnaire (PFQ) duly filled in and signed by the proposer and countersigned by the Official filling in the MHR can be accepted as proof of income up to a rated up sum assured Rs. 25 lacs.

## **Type of cover :**

All plans will be allowed subject to the following restrictions:

- Maximum SA under pure Term Insurance Plans – Rs. 25 lacs
- Term Rider benefit will be allowed up to Rs. 25 lacs
- Critical Illness benefit will not be allowed

## **Non – medical Scheme**

Proposal under non-medical (special) scheme will be entertained subject to the following conditions:

- i. Maximum age at entry – not over 45 nbd.
- ii. Maximum Sum Assured – Rs. 5 lacs- based on sum under consideration – i.e. rated up sum assured during last two full years.
- iii. Plans not allowed : 2, 43, 52, 58, 133, 143, 160, 164 and term rider
- iv. Maximum aggregate sum assured of Rs. 2 lacs under Table Nos. 88, 89, 91, 103, 106, 107, 108, 121
- v. The proposer should be employed in Government or reputed commercial firm or should be a professional such as Chartered Accountant, Cost Accountant, Engineer, Architect, Management / Computer consultant, Doctor, Lawyer, Teacher insurance agent, etc.
- vi. Non – medical scheme under Mail Order Business will be allowed only if agents visit the present county of residence of the NRIs to complete all formalities.
- vii. MHR by agent in the prescribed format.

## **Procedure to be followed**

### **Non – medical business**

- a) On NRIs visit to India – same procedure as applicable to Indian lives. A copy of the passport is to be called for
- b) Mail Order business – non – Medical scheme is allowed only if the agent visits the present country of residence of the NRI for completing the formalities. The agent should complete the usual procedure for Non- medical business. He

should either send the proposal including NRI Questionnaire, Special Questionnaire and a copy of the passport by mail or hand over the papers personally to the concerned Branch Office.

### **Medical Business**

- a) On NRIs Visit to India – same procedure as applicable to Indian lives. A copy of the passport is to be called for.
- b) Mail Order Business – the procedure to be followed is given in Annexure – I.

### **Moral Hazard Report by Agent**

The format of special MHR to be filled in by agent when he visits the country of residence of the NRI for completing the formalities is given in Annexure – 2.

At present only Chairman's Club Member agents are allowed to complete formalities under proposal from NRIs during their visit to countries of their present residence. It has now been decided to allow other agents also to complete formalities under proposal from NRIs during their visit to NRI's present countries of residence.

### **Special Questionnaire for Mail Order Business under Medical Scheme**

If the agent does not visit the country of residence of the NRI for completing the formalities, a special questionnaire has to be filled in by

- the employer in the case of employed persons
- dean or Principal of educational institutes in the case of students
- Personal physician in the case of self-employed / business people

The format of the special questionnaire is given in Annexure – 3.

### **NRI Questionnaire –**

Format of questionnaire to be completed by NRI's and to be sent along with proposal form is given in Annexure –4.

### **Life Insurance Memorandum (LIM)**

Salient Features of Exchange Control Regulations governing issue of policies to non-residents, collection of premiums, settlement of claims etc. as per "Life Insurance Memorandum (LIM) are given in Annexure – 5.

### **Residence Rating for the Overseas Countries**

Proposal from NRIs residing in certain countries are not to be entertained. Residence extra is to be charged in respect of some of the countries. A list of such countries is given in Annexure – 6.

**Life Insurance Corporation of India**  
(Established by the Life Insurance Corporation Act, 1956)  
Divisional Office \_\_\_\_\_ Branch Code \_\_\_\_\_

**AGENT CONFIDENTIAL, REPROT / MORAL, HAZARD REPORT  
FOR MAIL, ORDER BUSINESS**

Agency Code			Dev. Officer's Code	
Agent's Name & Address			Club Membership	
Licence No.			Date of Expiry	
Name of Proposer			Age	SP
When did you meet the proposer ?				
Are you related to him / her ? if so, give details				
What is the educational qualification of the life proposed?				
Give details of his source of income Employment/ business, etc.				
Details of proofs of income verified				
Are you personally satisfied with the financial standing of the proposer and justify the current proposal?				
What is the general state of health of the proposer?				
Does he have any physical deformity ? – (Impaired sight or hearing, physical impairment or mental retardation)				
Do you have any knowledge of his/her having suffered from any illness or injury or undergone any operation or medical investigation?				
Status of his previous policies –inforce/lapsed?				
Status of previous proposals – dropped/ postponed / declined/ accepted with extra?				
<b>For Non – medical Cases only</b>				
Marks of identification				
Height (cms)	Weight (kgs)	Girth of abdomen (cms) (over navel)	Chest (cms) (over nipple)	
			Full experation	Full inspiration

I hereby declare that the foregoing statements are true and correct to the best of my knowledge and belief.

I also declare that I met the proposer when he visited India and explained to him the terms and conditions of the plan. However, all the other formalities were completed during my visit to the present country of the proposer's residence.

At \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_ 200

Signature of the Agent

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**SPECIAL QUESTIONNAIRE TO BE COMPLETED IN RESPECT OF NRIs**

Proposal No. \_\_\_\_\_

A. To be filled in by the Dean/principal in respect of students and employer in respect of employed persons.

Name of the proposer	
When did the join your college / university / firm?	
Date of Birth and age	
Educational qualification	
General appearance	
Any identification marks?	
Does he have any physical deformity ?- (Impaired sight or hearing, physical impairment or mental retardation)	
His professional status (type of duties performed)	
Has he remained absent from college / duties on medical ground? If so, period of absence and reasons thereof	
What are his habits/ hobbies? Does he consume tobacco, snuff or other narcotic substance in any form, alcoholic drinks?	
His per month salary/ stipend/ teaching allowance	
Results of any routing medical check-up	

Date : \_\_\_\_\_

Signature of the Dean/Principal/Employer \_\_\_\_\_

B. To be filled in by the Personal Physician in respect of self – employed persons

Name of the proposer	
Since how long do you know the proposer?	
Age of the proposer	
General appearance	
Any identification marks?	
Does he have any physical deformity? – (impaired sight or hearing, physical impairment or mental retardation)	
Has he taken any treatment from you ? Yes/ No If yes, full details and the period of treatment What are his habits/hobbies?	
Does he consume tobacco, snuff or other narcotic substance in any form, alcoholic drink?	
Any information about his financial status?	

Date : \_\_\_\_\_

Signature of the Physician \_\_\_\_\_

## **Life Insurance Corporation of India**

(Established by the Life Insurance Corporation Act, 1956)

### **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 cheque drawn on his/her Non- Residence (External) Account or Foreign Currency (Non- Resident) Account with a Bank in India (or Joint Account provided the policy holder is one of the accountholders).
  - c. By cheque 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 sold 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 employee in respect of policies issued to their employees who have been deputed abroad by them.
  - g. Premiums can be paid in cash by president 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 aid abroad in foreign exchange but has to be paid in India only).

v. Settlement of Claims

- The basic rule- settlement of claims on rupee if insurance policies in favour of claimants resident outside India will be permitted in foreign currency only in propotion 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 case 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.

**LIST OF COUNTRIES WITH RESIDENCE RATING**

1. No proposal should be entertained from NRIs residing in the following countries

	Countries		Countries
1	Afganistan	34	Kyrgyzstan
2	Algeria	35	Lesotho
3	Angola	36	Liberia
4	Armenia	37	Macedonia
5	Azerbaijan	38	Madagascar
6	Belarus	39	Malawi
7	Benin	40	Mali
8	Bolivia	41	Mauritania
9	Burkina Faso	42	Mongolia
10	Burundi	43	Montserrat
11	Cameroon	44	Myanmar
12	Casamance	45	Nicaragua
13	Central Africa Republics	46	Niger
14	Chad	47	Nigeria
15	Chechen Republic	48	North Korea
16	Colombia	49	Pakistan
17	Comoros Island	50	Palestine
18	Congo (Brazzaville)	51	Paraguay – remote areas
19	Democratic Republic of the Congo (Zaire)	52	Rwanda
20	Diibouti	53	Senegal
21	Equatorial Guinea	54	Sierra Leona
22	Eritrea	55	Somalia
23	Ethiopia	56	Sudan
24	Gabon	57	Swaziland
25	Gambia	58	Syria
26	Georgia	59	Tajikistan
27	Guatemala	60	Tango
28	Guinea	61	Turkmenistan
29	Guinea – Bissau	62	Uganda
30	Haiti	63	Venezuela – remote areas
31	Iraq	64	Western Sahara
32	Israel – Westbank, Gaza, Jerusalem	65	Yemen
33	Ivory Coast	66	Zambia



2. Generally proposals from NRIs residing in the following countries should be entertained; However, if any proposal is received the same should be sent to CUS for individual consideration (IC)

	Countries		Countries
1	Albama	19	Moldova
2	Bhutan	20	Mozambique
3	Bosnia/ Herzegovina	21	Nambia
4	Bulgaria	22	Panama
5	Cambodia	23	Papua New Guinea
6	China – mainland excluding Tibet	24	Paraguay – Ascunsion
7	Ecuador	25	Peru
8	Egypt – Nile Valley (Minya, Assuit, Qena, Sonag)	26	Philippines
9	El Salvador	27	Russia other
10	Ghana	28	Solomon Island
11	Guyana	29	Tanzania
12	Honduras	30	Tibet
13	Indonesia	31	Ukraine
14	Iran	32	Uzbekistan
15	Jamaica	33	Venezuela – Caracas
16	Kazakhstan	34	Vietnam
17	Laos	35	Yugoslavia (Serbia, Montenegro, Kosovo)
18	Libya	36	Zimbabwe

3. A residence extra of Rs. 1 per thousand is to be charged to NRIs residing in the following countries:

	Countries		Countries
1	Brazil	7	Micronesia
2	Costa Rica	8	Russia – Major cities
3	Croatia	9	Suriname
4	Cuba	10	Tonga
5	Dominican Republic	11	Tunisia
6	Lebanon		

4. A residence extra of Rs. 2 per thousand is to be charged to NRIs residing in Kenya.

No residence rating is required to be charged to NRIs residing in countries other than those mentioned above under item Nos. 1 to 4.

**RULES FOR FOREIGN NATIONALS**  
**(Refer C.O circular Ref.: C.O./ LO/SR-278(A) Dated 28.08.2000)**

1. Foreign Nationals :-

- i. Maximum S.A of Rs. 50 lacs can be granted over a period of the time and not at one time.
- ii. MHR is to be given by chairman's / ZM's Club Member and Dev. Officer upto limits prescribed for them, after verification of the original passport and proof of income; if such MHR can be given by a direct agent, Sr.BM or BM (I/C) has to submit MHR
- iii. All such proponents are to be introduced to the Medical Examiner by Chairman's / ZM's Club Member or Dev. Officer or ABM (s) or BM.
- iv. Mail order Business will not be entertained, However only Indian Rupee Currency policies will be issued to persons of Indian origin, who have acquired Foreign nationality, during their stay in India.
- v. Medical Report from our authorised Doctor is compulsory in all cases.
- vi. Joint Life policies, plans having term insurance element and Asha Deep plan, will be allowed.
- vii. Proposals will be underwritten at Branch level.
- viii. Revised Non-Resident Indian (NRI) Questionnaire in the prescribed format is required in all such cases.  
(C.O Circulars Ref.: Actuarial Nos. 1580/4 dt. 31.7.96 , 1587/4 dated 14.10.1996 and 1751/4 dated 21.05.2001)
- ix. The policies as and when issued cannot be exported out of India. Similarly the claim proceed under such policies will be paid in Indian in Indian currency and in no circumstance will be allowed to be repatriated out of India. The consent of the proponent is to be obtained in advance and the above condition is to be typed on the policy.
- x. Underwriting authority for insurance on the lives of foreign Nationals of Indian origin as follows :

**Standard Lives**

In Divisional Office Rs. 25 lacs

In Zonal Office Rs. 6 lacs

**Sub-Standard Lives**

Rs. 15 lacs

Rs. 50 lacs (upto EMR CI VI)