



GOVERNMENT OF KERALA

Abstract

Finance Department -Establishment - Kerala State Insurance Department – Amendment in G.O(P) No. 530/13/Fin dated : 22.10.2013 (SLI Rules) - Sanctioned – Orders issued.

FINANCE (ESTABLISHMENT-D) DEPARTMENT

G.O.(P)No. 493 /2014/Fin.

Dated, Thiruvananthapuram, 12.11.2014

- Read:-
- 1) G.O (P) No. 840/88/Fin dated 16.11.1988.
 - 2) G.O (P) No. 530/13/Fin dated 22.10.2013.
 - 3) Note No. INS/Dev.Wing/DV4/14201/2013 dated 11.02.2014 from the Director of Insurance.

ORDER

In the note referred above, the Director of Insurance has proposed following amendment in SLI Rules in order to encourage revival of lapsed Policies and thereby enhancing investment in S.L.I Policies. Government after having examined the matter in detail are pleased to modify the S.L.I Rules as follows :-

Sl. No.	Rule	Existing	Modified
1	Rule 6	“ If the insured who has not taken a policy as a compulsory measure wishes to withdraw from Insurance after the policy had been in force for not less than two years, he may surrender his policy and apply for the surrender value of the sum assured thereby, which will be 40% of the sum total of all the premia paid by him up to the date of such surrender along with bonus if any due to him. No surrender value will be allowed for policies of less than two years duration”.	“ if the insured who has not taken a policy as a compulsory measure wishes to withdraw from Insurance after the policy had been in force for not less than three years, he may surrender his policy and apply for the surrender value of the sum assured thereby, which will be as per surrender value factor in appendix II of G.O(P) 530/13/Fin

dated 22.10.2013 of the sum total of all the premia paid by him up to the date of such surrender along with bonus if any due to him. No surrender value will be allowed for policies less than three years duration”.

- 2 Rule 12.1 “Loans carrying 9% interest per annum, which was amended as 9% as per G.O.(P) No. 500/2006/Fin dated 15.12.2006, may be sanctioned on unencumbered policies by the Director of Insurance up to a maximum of 80% of the surrender value of the policy, the policy being assigned in favour of Director of Insurance, Trivandrum in consideration as security for the loan. **The loan amount sanctioned on unencumbered policies by the Director of Insurance up to maximum of 90% of the surrender value from the policy.**
- 3 Rule 21.1 A lapsed policy may be revived on payment of all arrears of premium with compound interest calculated from the 1st due date of payment at 9% per annum. Such revival should be done within a period of Five years from the date of policy, which was modified as per G.O(P) No.1579/98/Fin dated 11.06.1998. **The District Insurance Officers are permitted to revive the lapsed policies within a period of Five years and lapsed policies from 5 to 10 years can be revived by the Director of Insurance. The defaulted premium with interest can be remitted in lump sum/two instalments/3 instalments.**
- 4 Rule 22 “ When an insured who has ceased to be in the Service of Government has elected to continue to pay such premia, he may be allowed by the Director of Insurance to pay such premia in advance monthly/quarterly/half yearly/ yearly in to any Government Treasury. A grace period of **As per surrender value factor in Appendix II of G.O(P) No. 530/2013/Fin dated 22.10.2013**

one month shall however be allowed. If the insured fail to pay the premium with in the days of grace he shall be deemed to have withdrawn under Rule 4.5(C) and he shall be **paid back the surrender value of the sum assured, which will be 40% of the sum total of all the premium paid by him up to date** along with bonus if any.

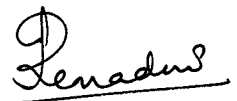
Necessary modification to S.L.I Rules will be issued from this Department separately.

By order of the Governor,
RAJESH KUMAR SINHA
Secretary, Finance (Expenditure)

To

The Principal Accountant General (A & E)/(G & SSA), Kerala, Thiruvananthapuram.
The Accountant General (E & RSA), Kerala, Thiruvananthapuram.
All Heads of Department and Offices.
All Aided Schools / Private Colleges, Corporations / Municipalities,
Government owned Boards / Corporations and other Public Sector Undertakings.
All Departments (all sections) of the Secretariat.
All District Collectors.
The Director of Insurance, Thiruvananthapuram.
The Director of Treasuries, Thiruvananthapuram.
The Registrar, High Court of Kerala, Ernakulam (With C.L.)
The Secretary, Kerala Public Service Commission (With C.L.).
The Director of Printing, Thiruvananthapuram.
All Secretaries, Additional Secretaries, Joint Secretaries, Deputy Secretaries
and Under Secretaries to Government.
The Private Secretary to Chief Minister and all Ministers.
The Private Secretaries to Hon'ble Speaker, Kerala Legislative Assembly /
Leader of Opposition / Government Chief Whip.
The Secretary to Governor.
The Confidential Assistant to Principal Secretary (Finance).
The Public Relations Department.
✓ The Nodal Officer, www.finance.keralagov.in.
The Stock File / Office Copy.

Forwarded/By Order,



Section Officer