



Life Insurance Council

Together in service

August 23rd, 2018

The Chairman,
Insurance Regulatory Development Authority of India,
Survey No. 115/1, Financial District,
Nanakrumbguda, Gachibowli,
Hyderabad – 500032

Dear Sir,

Re : Natural Calamity in Kerala & Karnataka - Plea for Extension of Grace Period for Renewal Premium of Life Policies.

With reference to above subject, Authority has issued Circulars bearing nos. IRDA/LIFE/Kerala Floods/2018-19 dated 17th Aug, 2018 and IRDA/LIFE/Karnataka Floods/2018-19 dated 20th August, 2018 directing all life insurers to extend every possible facilitation in quick and timely settlement of life insurance claims in the wake of recent heavy rains & floods and reported loss of human lives / belongings in the state of Kerala and some districts of Karnataka including Kodagu. Life Insurance Industry is adhering to the above directions of IRDAI.

The Authority may kindly note that during these difficult times it may not be possible for existing policy holders and their family members to strictly follow the prescribed grace period timelines for effecting renewal premium as per Regulation 10 of IRDAI (Linked Insurance Products). This may contribute to delay in payment of premium which would result in lapsation of policy leading to interruption of their life cover as well as deprive them from the benefits of Life Insurance.

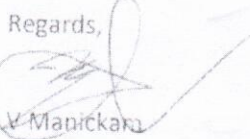
We have been receiving request from member companies about the difficulties being faced by the policy holders for effecting renewal premium and requested for extending the existing grace period from the current 15 or 30 days (as applicable) to 60 days for payment of all renewal premium due during the period 15th July, 2018 till 30th September, 2018 for Kerala and for flood affected districts in Karnataka.

The rationale for seeking extension of Grace period commencing from 15th July 2018, is to duly consider those policy holders who were planning to effect renewal premium during the Grace Period, which was interrupted due to calamity.

Similar plea made by Life Insurance Council during demonetization period was considered favorably by IRDAI.

We request you to consider our submission favorably.

Regards,


V. Manickam
Secretary
Life Insurance Council