



भारतीय बीमा विनियामक और विकास प्राधिकरण
INSURANCE REGULATORY AND
DEVELOPMENT AUTHORITY OF INDIA

Ref: IRDAI/Life/Cir/Misc/18707/2020

9th July, 2020.

To All Insurers

Sub: Group Credit Life Schemes – Modifications to align the coverage with the moratorium announced by Reserve Bank of India.

This has reference to representations received from Life Insurers to permit them to make certain modifications in the Group Credit Life Master Policies issued by them so as to align the cover available under such schemes with the revised loan repayment schedule in respect of members who have availed the facility of moratorium announced by RBI in the wake of the COVID-19 pandemic. The matter has been examined and the following instructions are issued

- 1) Life Insurers offering group credit life insurance schemes, where under, the members have availed moratorium on payment of EMIs are allowed to suitably modify the term and sum assured under such schemes, against collection of additional premium as may be required, in respect of such members, so that they may continue to be covered as per the revised loan repayment schedule.
- 2) The permission to make such modifications shall be subject to the following conditions:
 - a) The provision is allowed only in cases where the members have opted for moratorium in terms of RBI's announcements.
 - b) The modification shall be limited to the extent required to ensure that the coverage under the scheme matches the revised loan repayment schedule.
 - c) The cover for the extended period shall be priced on the same terms as the original cover.
 - d) The member enrolment form, the authorization for processing claim payment through the Master Policy Holder (in cases where the Master Policyholder is one of the regulated entities) and the Certificate of Insurance as originally submitted / issued, as the case may be, shall continue to remain valid for the scheme as modified.
 - e) The difference in stamp duty shall be remitted as applicable and a suitable endorsement shall be made on the Master Policy Document.
- 3) The compliance to these instructions may be subjected to verification by the Inspection Department.

Member (Life)