



FINANCE (ESTT.C) DEPARTMENT
No.43/80/Fin., Thiruvananthapuram, dated 2nd June 1980.

CIRCULAR

Sub- General Insurance business of Public Sector Undertakings-Insurance with the State Insurance Department.

Ref-Circular No. 43/75/Fin., dated 7th June 1975.

According to existing Government Orders and Circular instructions. The insurance business of all undertakings in which the Government have substantial financial interest should be transacted only through the State Insurance Department. This does not involve any loss for the undertakings concerned, as the rates of premium charged by all the insurers, including the State Insurance Department are the same. It has however been brought to the notice of Government have substantial financial interest are not placing their insurance business with the State Insurance Department. The Government Directors of various Government Companies/Corporations/Boards are, therefore, requested to ensure that insurance business in respect of Government Companies/Corporations/Boards is conducted only through the State Insurance Department.

The Director of Insurance may watch the position and report to Government the cases of deviations for taking further action.

S. Padmakumar,
Special Secretary (Finance)