

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

STARRED QUESTION NO:422  
ANSWERED ON:22.08.2003  
INSTITUTE OF INSURANCE AND RISK MANAGEMENT  
BHERU LAL MEENA;REENA CHOUDHARY

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Insurance Regulatory and Development Authority (IRDA) has contributed a sum of Rs. 10.00 crores for setting up Institute of Insurance and Risk Management at Hyderabad;
- (b) if so, whether in the process the ex-Chairman of IRDA got himself appointed as Lifetime Chairman and Director of IIRM
- (c) whether IRDA is competent under Section 14 of the IRDA Act to make such a contribution without consulting the nodal Ministry;
- (d) if not, the action taken by the Government in this regard;
- (e) whether the Government have also received various complaints regarding irregularities committed by the ex-Chairman of IRDA;
- (f) if so, the details thereof; and
- (g) the action taken by the Government thereon?

**Answer**

MINISTER OF FINANCE (SHRI JASWANT SINGH)

- (a) : Yes, Sir.
- (b) : The former Chairman of IRDA was nominated as Chairman, IIRM at the time of its incorporation. Upon his demitting office as Chairman of IRDA he submitted his resignation from the position of Chairman and Director of IIRM also. The current Chairman of IRDA presently holds the position of Chairman IIRM, too.
- (c) and (d) : The Ministry of Law has advised that Section 14 of the IRDA Act does not empower the Authority to do so. This advice has been conveyed to IRDA who have accepted it.
- (e) : No, Sir.
- (f) & (g) : Do not arise.