

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1786
ANSWERED ON:01.08.2003
NOTIFICATION FOR IRDA
T.M. SELVAGANAPATHI

Will the Minister of FINANCE be pleased to state:

- (a) whether the National Confederation of General Insurance Officers Association has protested against the notification issued by the Insurance Regulatory and Development Authority (IRDA) dispensing with the facility of a discount of five per cent in lieu of Commission (brokerage) on business placed directly by non-public sector clients with insurance companies;
- (b) if so, the objections raised by the Confederation; and
- (c) the reaction of the Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO V. ADSUL)

(a), (b) & (c): Insurance Regulatory and Development Authority (IRDA) have reported that based on the feedback received by them from insurers, insured and others, the Authority has issued a Notification on 16th July, 2003 keeping in abeyance the earlier Notification issued by the IRDA dispensing with the facility of a discount of 5% in lieu of Commission (brokerage) on business placed directly by non-public sector clients.