

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3131
ANSWERED ON:19.08.2011
FDI IN INSURANCE SECTOR
Hussain Shri Syed Shahnawaz

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has increased the Foreign Direct Investment (FDI) limit in insurance sector;
- (b) if so, the details thereof; and
- (c) the steps taken by the Government in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a), (b) & (c): The Government had introduced the Insurance Laws (Amendment) Bill, 2008 in the Rajya Sabha on 22.12.2008. The Bill, inter-alia, provides the aggregate holdings of equity shares by a foreign company, either by itself or through its subsidiary companies or its nominees in Indian Insurance Companies from twenty six per cent to forty nine per cent (26% to 49%) except in case of insurance co-operative societies where the limit continues to be 26% as at present.