

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

STARRED QUESTION NO:210  
ANSWERED ON:17.07.2009  
FDI IN INSURANCE SECTOR  
Mani Shri Jose K.

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

- (a) whether suggestions have been received to raise 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**

FINANCE MINISTER(SHRI PRANAB MUKHERJEE)

(a), (b) & (c): A Statement is laid on the Table of the Lok Sabha.

STATEMENT REFERRED TO IN PARTS (A), (B) AND (C) OF LOK SABHA STARRED QUESTION NO. 210 DATED 17.7.2009 TABLED BY SHRI JOSE K. MANI - REGARDING "FDI IN INSURANCE SECTOR".

(a), (b) & (c): On the recommendations of Law Commission of India (190th Report), K. P. Narasimhan Committee and Insurance Regulatory and Development Authority (IRDA), Government introduced the Insurance Laws (Amendment) Bill, 2008 in the Rajya Sabha on 22.12.2008. The Bill, inter-alia, provides for enhancement of 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 except in case of insurance co-operative societies where the limit continues to be 26% as at present.