

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:458
ANSWERED ON:06.12.2013
IRDA GUIDELINES FOR LICENCES
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Will the Minister of FINANCE be pleased to state:

- (a) The details of the guidelines issued by the Insurance Regulatory and Development Authority (IRDA) for upgradation of direct broking license to that of composite broking license;
- (b) Whether a large number of applications are pending with the IRDA in this regard;
- (c) If so, the details and the present status thereof;
- (d) Whether IRDA has fixed any time limit for disposing these applications; and
- (e) If so, the details thereof?

Answer

Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

(a) No guidelines have been issued by the Insurance Regulatory and Development Authority (IRDA) for upgradation of direct broking licence to composite broking licence. However, Regulation 13(5) of the IRDA (Insurance Brokers) Regulations 2002 prescribes that any broker who has been licensed under a specified category may apply for change of category, subject to a condition that one year should have lapsed from the grant of licence in the first instance.

(b) As per Insurance Regulatory and Development Authority (IRDA), there are only five applications under process with them as on 29-11-2013 for upgradation of licences.

(c) The status of these applications are as under:-

S1. Name of the Status
No. applicant/broker

- 1 Salasar Insurance Brokers As per regulation 8(2) of Insurance Regulatory and Development Authority (Insurance Brokers) Regulations 2002, a personal representation is to be made by the applicant company to the Authority. Accordingly, a presentation including the background of the company, details of promoters/shareholders, infrastructure, business projections, reinsurance expertise etc., has been made by the company to the Authority on 25.09.2013.
2. Beacon Insurance Brokers As mentioned above, a presentation on the details of the company has been made on 18.10.2013
3. Trinity Insurance Brokers The Broker has applied for upgradation and change in shareholding pattern. The financial analysis is being done. The broker will be called for presentation during December, 2013.
4. Prudent Insurance Brokers The Broker's licence is due for renewal during February 2014. The financial analysis is being done.
5. ICM Insurance Brokers The papers are under scrutiny

(d) and (e): Insurance Regulatory and Development Authority (IRDA) has informed that there is no fixed time limit prescribed for disposing the applications.