

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:752
ANSWERED ON:24.07.2015
IRDA Norms
Charitra Shri Ram

Will the Minister of FINANCE be pleased to state:

- (a) whether the insurance regulator proposes to relax the proposed corporate agency norms that mandate banks to sell a specified percentage of insurance policies of other companies;
- (b) if so, the details thereof;
- (c) whether the Insurance Regulatory and Development Authority(IRDA) also plans to do away with the percentage limits for banks to sell products of insurance companies; and
- (d) if so, the details thereof?

Answer

Minister of State in the Ministry of Finance
(Shri Jayant Sinha)

(a) to (d): The Insurance Regulatory and Development Authority of India (IRDAI) has informed that the Insurance Laws (Amendment) Act, 2015 defines corporate agents as an insurance intermediary under section 2(1) (f) of the IRDAI Act, 1999. This necessitated the Authority to come out with new set of regulations for corporate agents and accordingly IRDAI had come out with an exposure draft on 31st March, 2015 for seeking comments of various stakeholders. Based on examination of the responses/concerns of various stakeholders, the Authority has come out with a revised second exposure draft on 29.05.2015. This exposure draft does not mandate percentage limits for banks to sell products of insurance companies.