

IRDA guidelines for training of insurance agents

†4230. SHRI ISHWARLAL SHANKARLAL JAIN : Will the Minister of FINANCE be pleased to state:

- (a) whether most of the companies, societies, trusts and institutes have not taken directives of Insurance Regulatory and Development Authority's (IRDA) seriously regarding the training of insurance agents;
- (b) whether any action has been taken against them; and
- (c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA) : (a) to (c) The Insurance Regulatory and Development Authority (IRDA) has informed that as on 29.02.12, there are 3068 Agents Training Institutes (ATIs) accredited by the Authority and they are complying with the directions issued by the Authority. As a routine exercise accreditation of 252 ATIs were made inactive due to non-compliance of the guidelines on ATIs and 76 ATIs were suspended for a quarter due to non submission of Form-B in time.

Demand for clarity on GAAR

4231. SHRI SALIM ANSARI : Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that Foreign Financial Institutions (FIIs) have cautioned Government that there could be disruption in the Capital markets in India if Government does not bring clarity on General Anti-Avoidance Rules (GAAR);
- (b) if so, the details thereof;
- (c) whether Government would consider the various representations received from FIIs and clarify on GAAR in the interest of investors; and
- (d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) and (b) Yes, Sir representations have been received in this regard.

(c) The representations have been examined and the following government amendments have been proposed in the provisions relating to General Anti-Avoidance Rules (GAAR) contained in the Finance Bill 2012–

- (i) to remove the onus of proof from the tax-payer to the Revenue Department before any action can be initiated under GAAR.

† Original notice of the question was received in Hindi.

- (ii) to introduce an independent member, not below the rank of Joint Secretary from the Ministry of Law, in the GAAR approving panel to ensure objectivity and transparency.
- (iii) to provide that both resident or non-resident tax-payers can approach the Authority for Advance Ruling (AAR) for a ruling as to whether any arrangement to be undertaken is permissible or not under the GAAR provisions.
- (iv) to provide more time to both tax payers and the tax administration to address all related issues, it is proposed to defer the applicability of GAAR provisions by one year *i.e.* with effect from financial year 2013-14.
- (d) Does not arise in light of the above.

Sale of insurance policy by PNB

4232. SHRI UPENDRA KUSHWAHA : Will the Minister of FINANCE be pleased to state:

- (a) whether Punjab National Bank (PNB) has started insurance business in collaboration with METLIFE;
- (b) if so, the share of PNB in it;
- (c) whether PNB has invested in METLIFE from the corpus of PNB employees PF Fund;
- (d) if so, the details thereof;
- (e) whether to achieve insurance target under METLIFE Schemes borrowers are being targeted particularly KCC applicants are pressurized to take METLIFE Policy;
- (f) the number of KCC accounts disbursed after the inception of METLIFE insurance business; and
- (g) the number of policies including amount sold to KCC holder farmers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA) : (a) and (b) Punjab National Bank (PNB) has informed that it is functioning as Corporate Agent of METLIFE for life insurance business. The Bank has not yet acquired any share in METLIFE.

(c) and (d) The PNB has informed that PNB Employees PF Trust Fund has no investment in METLIFE. However, PNB Employees Pension Fund has invested Rs. 129.41 crore in METLIFE.