

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA):

(a) Yes Sir.

(c) No Sir. NIIF is aimed at maximising economic impact mainly through infrastructure development in commercially viable projects, both greenfield and brownfield, including stalled projects.

(d) The NIIF has been established as a Trust from both the point of view of taxation and flexibility. There is a Governing Council of the NIIF with Government representatives and experts in international finance, eminent economists and infrastructure professionals. The Governing Council will oversee the activities of the Trust. The NIIF will take investment decisions after detailed due diligence keeping in view its risk-return objective.

**Effect of conditions imposed in Insurance Laws on development
of FDI in insurance sector**

1024. SHRI HISHEY LACHUNGPA: Will the Minister of FINANCE be pleased to state:

(a) whether the conditions imposed in the insurance laws about the management and control of the insurance business in Indian hands is proving to be a hindrance in the development of insurance sector/FDI in insurance; and

(b) if so, the details in this regard and the effort made by the Government to increase FDI in insurance sector?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA):

(a) and (b) Insurance Laws (Amendment) Act, 2015 provides for increase of foreign investment cap in an Indian Insurance Company from 26% to 49% with the safeguard of Indian ownership and control.

Indian Insurance Companies (Foreign Investment) Rules, 2015 were notified by the Government to facilitate foreign investment in the insurance sector.

Insurance Regulatory and Development Authority of India (IRDAI) in order to bring clarity on "Indian owned and controlled" has issued guidelines on "Indian owned and controlled" on 19.10.2015.

Indian Insurance Companies (Foreign Investment) Rules, 2015 have been amended on 16th March, 2016 to allow foreign investment upto 49% through automatic route in insurance sector.

Post notification of Insurance Laws (Amendment) Act, 2015, IRDAI has approved 16 proposals amounting to ₹ 14,591.89 crore as foreign investment in the insurance sector.