

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
STARRED QUESTION No. *112

ANSWERED ON MONDAY, 28 JULY, 2025/SRAVANA 6, 1947 (SAKA)

FDI in Insurance Sector

*112. Shri Sachithanantham R:

Will the Minister of Finance be pleased to state:

- a) The details of the FDI part of the Capital employed in Life and General Insurance sector by the Private Insurance companies in total as well as company-wise;
- b) the reason for not opting the hike in FDI by many Private Insurance companies though cap was raised to 74 per cent; and
- c) the need and reasons for hike in cap on FDI to 100 per cent when earlier cap itself was not fully utilised by the companies?

ANSWER

**THE FINANCE MINISTER
(SMT. NIRMALA SITHARAMAN)**

(a) to (c): A Statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PART (a) to (c) OF LOK SABHA STARRED
QUESTION NO. *112 FOR 28th JULY, 2025 REGARDING “FDI IN INSURANCE SECTOR”
TABLED BY SHRI SACHITHANANTHAM R, HON’BLE MEMBER OF PARLIAMENT**

(a) to (c): The details of the Foreign Direct Investment part of the capital employed in Life and General Insurance sector by the Private Insurance companies in total as well as company-wise is attached herewith as Annexure A.

Section 2(7A) (b) of Insurance Act, 1938, prescribes the upper limit of FDI in an insurance company. The decision to increase FDI component in a particular insurance company is made by its promoters, depending upon various factors such as capital requirement of the company, solvency requirement, future business plans etc.

With the increase in FDI limit from 74% to 100% for insurance companies, the Government aims to unlock the full potential of the Indian insurance sector, which is projected to grow at 7.1% annually over the next five years, outpacing global and emerging market growth. This is an enabling provision which will help the interested insurers to explore hiking the FDI percentage. Further, this will eliminate the need for foreign investors to find Indian partners for the remaining 26%, easing the process of setting up their operations in India, effectively increasing the number of insurers in the country. Removing the FDI cap will attract stable and sustained foreign investment, increase competition, facilitate technology transfer, and improve insurance penetration in the country.

Annexure A referred in reply to parts (a) of Lok Sabha Starred Question No. 112 for 28.07.2025

Equity Share Capital of Life Insurers as on 31.12.2024

S. No.	Insurer	Total (Rs. In crore)	Foreign (Rs. In crore)	% Foreign
1	Aditya Birla Sun Life Insurance Co. Ltd.	2,019.59	989.60	49.00%
2	Ageas Federal Life Insurance Co. Ltd.	800.00	592.00	74.00%
3	Aviva Life Insurance Co. Ltd.	2,189.90	1,620.53	74.00%
4	Bajaj Allianz Life Insurance Co. Ltd.	150.71	39.18	26.00%
5	Canara HSBC Life Insurance Co. Ltd.	950.00	247.00	26.00%
6	Credit Access Life Insurance Ltd.	168.00	124.32	74.00%
7	Edelweiss Tokio Life Insurance Co. Ltd.	1,065.13	228.12	21.42%
8	Future Generali Life Insurance Co. Ltd.	2,599.32	1,923.46	74.00%
9	Go Digit Life Insurance Ltd.	177.71	77.04	43.35%
10	HDFC Life Insurance Co. Ltd.	2,152.80	544.59	25.30%
11	ICICI Prudential Life Insurance Co. Ltd.	1,445.21	533.47	36.91%
12	IndiaFirst Life Insurance Co. Ltd.	754.52	196.14	26.00%
13	PNB MetLife Insurance Co. Ltd.	2,012.88	984.61	48.92%
14	Pramerica Life Insurance Co. Ltd.	374.06	183.29	49.00%
15	Reliance Nippon Life Insurance Co. Ltd.	1,196.32	586.20	49.00%
16	SBI Life Insurance Co. Ltd.	1,002.09	241.71	24.12%
17	Shriram Life Insurance Co. Ltd.	179.37	41.26	23.00%
18	Star Union Dai-ichi Life Insurance Co. Ltd.	338.96	155.72	45.94%
19	Tata AIA Life Insurance Co. Ltd.	4,533.50	2,221.42	49.00%
Total		24,110.07	11,529.66	47.82%

Source: IRDAI

EQUITY SHARE CAPITAL OF PRIVATE GENERAL AND HEALTH INSURERS AS ON 31.12.2024				
Sr. No.	Insurers	Total (Rs. In crore)	Foreign (Rs. In crore)	% Foreign
-	<u>Private Sector General Insurers</u>	-		
1	Bajaj Allianz General Insurance Co. Ltd.	110.23	28.66	26.00%
2	Cholamandalam MS General Insurance Co. Ltd.	298.81	119.52	40.00%
3	Future Generali India Insurance Company Limited	1,206.40	609.30	50.51%
4	Go Digit General Insurance Limited	922.24	86.24	9.35%
5	HDFC ERGO General Insurance Co. Ltd.	723.68	355.24	49.09%
6	ICICI Lombard General Insurance Co. Ltd.	495.23	121.79	24.59%
7	IFFCO Tokio General Insurance Co. Ltd.	287.82	141.03	49.00%
8	Kotak Mahindra General Insurance Company Limited	1,072.73	750.91	70.00%
9	Liberty General Insurance Limited	1,131.54	550.88	48.68%
10	Raheja QBE General Insurance Company Limited	455.05	222.97	49.00%
11	Royal Sundaram General Insurance Co. Limited	449.00	179.60	40.00%
12	SBI General Insurance Company Limited	223.72	60.54	27.06%
13	Shriram General Insurance Company Limited	259.16	59.40	22.92%
14	Tata AIG General Insurance Co. Ltd.	995.15	258.56	25.98%
15	Universal Sompo General Insurance Co. Ltd.	368.18	127.44	34.61%
Total		8998.94	3672.08	40.80%
<u>STANDALONE HEALTH INSURERS</u>				
16	Aditya Birla Health insurance Co. Limited	538.00	237.19	44.09%
17	ManipalCigna Health Insurance Company Limited	1,645.25	805.49	48.96%
18	Niva Bupa Health Insurance Company Ltd.	1,827.03	207.08	11.33%
20	Star Health and Allied Insurance Company Limited	587.68	104.82	17.84%
Total		4597.96	1354.58	29.46%

Source: IRDAI