

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2700
ANSWERED ON:08.08.2003
COMMISSION TO BROKERS
BASUDEB ACHARIA

Will the Minister of FINANCE be pleased to state:

(a) whether the Government are aware about the fact that brokers are being paid huge amount of commission as compared to the self employed agents, for the same type of work and also treated as agents for all practical purpose rather than facilitator on behalf of the policy holders; and

(b) if so, the details thereof and steps taken to protect the interest of large number of self-employed agents in the insurance sector as well as to ensure equal pay for equal work?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO V.ADSUL)

(a) & (b): The Insurance Brokers and Agents play different roles in the insurance market. While the Agent represents an Insurer, the Insurance Broker represents the policyholders. Insurance Regulatory and Development Authority (IRDA) has informed that Agents and Brokers are governed by separate Regulations issued by the Authority and the commission payable to them, as per the Regulations, are commensurate with their roles.