

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

RAJYA SABHA
UNSTARRED QUESTION No. 2790

ANSWERED ON TUESDAY, 25 MARCH, 2025/ 4 CHAITRA, 1947 (SAKA)

Violation of IRDA order

2790 Shri Haris Beeran:

Will the Minister of FINANCE be pleased to state:

- (a) whether insurance companies, including some public sector companies are blatantly violating the IRDA order that the annual enhancement of premium for senior citizens should not be more than 10%;
- (b) whether the average premiums are enhanced by 40 to 50% to ensure that senior citizens get out of the insurance net;
- (c) if so, the details thereof;
- (d) whether Government would ensure that these orders are complied with; and
- (e) whether Government ask the insurance companies to return to the policy holders the excess premium amount charged after the IRDA orders came into effect?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) to (e): Insurance Regulatory and Development Authority of India (IRDAI), vide Circular dated 30.01.2025, has directed all general and health insurers offering indemnity based individual health insurance products to Senior Citizens to implement the following with immediate effect:

1. The insurers shall not revise the premium for senior citizens by more than 10% per annum.
2. In the following cases, insurers shall undertake prior consultation with the IRDAI:
 - i. If the increase proposed in the premium for senior citizens is more than 10% per annum.
 - ii. In case of withdrawal of individual health insurance products offered to senior citizens.

The aforementioned instructions became effective on 30.01.2025. Furthermore, IRDAI ensures implementation of provisions of the circular. It is stated that after the issuance of the circular, no insurance company contacted IRDAI with a request to raise senior citizens' premiums by more than 10%. Further, IRDAI has confirmed that so far, no violation of the said circular has been observed.

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