

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES

**LOK SABHA**  
**UNSTARRED QUESTION No. 1442**

ANSWERED ON MONDAY, 9 FEBRUARY, 2026/MAGHA 20, 1947 (SAKA)

**Rise in Insurance Premium**

†1442. SHRI HANUMAN BENIWAL:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is aware that despite the GST on personal life insurance and health insurance being reduced to zero under the GST reforms, insurance companies in several States including Rajasthan have raised the base premium from 8 to 12 percent;
- (b) if so, the details of the reasons therefor;
- (c) whether the Government proposes to take any concrete steps to curb this arbitrariness of the insurance companies so that the benefits of GST reforms is availed by the new policy holders; and
- (d) if so, the details thereof along with the time-line for implementing the same and if not, the reasons therefor?

**ANSWER**

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

(a) to (d): Insurance Regulatory and Development Authority of India (IRDAI) has informed that for ensuring full transmission of the rate reduction, a day long in-person interaction was held with the insurance companies on 17th September, 2025. The need to pass on the full benefits to the policyholders in letter and spirit was impressed on them. Further, IRDAI has collected the premium rates prevailing as on 3rd September, 2025 and has been regularly monitoring the premiums being charged for new policies as well as for renewal of policies to ensure benefits are passed on to insured individuals.

In this regard, IRDAI has informed that a confirmation has been received from all General and Health Insurance companies in January, 2026 that they have not revised premiums following the Government's announcement of GST relief. They have further confirmed that the GST relief granted by the Government has been fully passed on to the policyholders.

IRDAI has also informed that for Life Insurance policies, the premium and benefits available under the plan cannot be altered during the term of the policy.

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