GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UNSTARRED QUESTION No. 2496

ANSWERED ON MONDAY, 03 AUGUST, 2026/ SHRAVANA 12, 1948 (SAKA)

Work Suspension of Insurance Surveyors at NICL

2496. SHRI CHANDRA PRAKASH CHOUDHARY:

Will the Minister of FINANCE be pleased to state:

(a) whether Public Sector General Insurance Companies, including the National Insurance Company Limited (NICL), are permitted under existing guidelines to stop or suspend work allocation to Insurance Regulatory and Development Authority of India (IRDAI)-licensed surveyors indefinitely without issuing a formal chargesheet or final order, if so, the statutory provisions or Board-approved policies under which such informal work suspensions are executed;
(b) whether it is a fact that certain senior empanelled independent insurance surveyors under NICL have been kept under informal work suspension since June 2025 despite the completion of independent investigations into their cases, if so, the details thereof;
(c) the specific reasons for the inordinate administrative delay from June 2025 to June 2026 in finalising final orders or restoring work allocation for such veterans who have completed over 10,000 survey jobs for public sector undertakings; and
(d) the number of representations received by the Government regarding the denial of professional livelihood due to pending administrative closures at NICL?

ANSWER

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

(a) to (d): There is no specific provision in the Insurance Regulatory and Development Authority of India (IRDAI) (Insurance Surveyors and Loss Assessors) Regulations, 2015 (SLA Regulations), as amended, dealing with suspension of allocation of survey work by an insurer to an empanelled Surveyor and Loss Assessor. However, the following provisions broadly govern the empanelment, utilisation and performance monitoring of surveyors by insurers:

As per Regulation 21(1) of the SLA Regulations including National Insurance Company Limited (NICL), every insurer is required to have a Board-approved Surveyor Management Policy governing, inter alia, the empanelment and utilisation of surveyors and allocation of survey jobs to them.

As per Regulation 21(2) of the SLA Regulations, insurers are required to monitor the performance of empanelled surveyors, including their compliance with the prescribed Code of Conduct and duties and responsibilities. Where any violation of the Code of Conduct is brought to the notice of an insurer, the insurer is required to conduct necessary enquiry and investigation and, where such violation is established, report the same immediately to IRDAI.

Accordingly, matters relating to empanelment, utilisation and allocation of survey work by an insurer are governed by its Board-approved Surveyor Management Policy, subject to compliance with the applicable provisions of the SLA Regulations.

As informed by NICL, the surveyor management within the company is strictly governed by Surveyor Management Policy, which is duly approved by the Board of the Company. The allocation of survey jobs to an empanelled surveyor is temporarily halted if a complaint of corruption, severe misconduct, fraud or financial irregularity is received against them by any insured or stakeholder in compliance with Standard Operating Procedures (SOP) for dealing with external frauds.

It is also informed by NICL that in a certain case of allotment of further work to a surveyor from June 2025 has been suspended, in compliance with the SOP for dealing with external frauds. The suspension of allotment of further work is temporarily done until the final investigation is completed. The matter is concluded as per the procedure mentioned in provisions of the SOP. No other representation has been received regarding denial of professional livelihood due to pending administrative closures at NICL.

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