

Item No. 8

Draft IRDAI (Minimum Information required for Investigation and Inspection)

Regulations, 2020

Rule 39 of the Insurance Rules, 1939 prescribes minimum information to be maintained by the insurers in their books.

- 1) The Insurance Act, 1938 was amended through the Insurance Laws Amendment Act 2015. Section 33(7) of the amended Act reads as follows:

“ 33(7) The Authority may by the regulations made by it specify the minimum information to be maintained by insurers or intermediary or insurance intermediary, as the case may be, in their books, the manner in which such information shall be maintained, the checks and other verifications to be adopted by insurers or intermediary or insurance intermediary, as the case may be, in that connection and all other matters incidental thereto as are, in its opinion, necessary to enable the Investigating Officer to discharge satisfactorily his functions under this section.

Explanation.—for the purposes of this section, the expression "insurer" shall include in the case of an insurer incorporated in India—

- (a) All its subsidiaries formed for the purpose of carrying on the business of insurance exclusively outside India; and
- (b) All its branches whether situated in India or outside India.”

- 2) Since Section 33 (7) of the Insurance Act, 1938 permits framing of regulations by Authority, it is therefore proposed to issue the required Regulations. The draft Regulations were placed on the website on 11/01/2018 and 16/04/2019 for public

comments. Based on the feedback from the public and from the LI Council, GI Council, Insurance Brokers, Corporate Agents and other stakeholders, the draft has been further revised. Thereafter, the draft regulations were referred to Insurance Advisory Council (IAC) for their consideration.

- 3) In its 42nd meeting held on 24/09/2020, IAC has recommended to place the draft regulation before the Authority in its next meeting. The basic framework of the draft regulations has been modelled after Rule 39 of the Insurance Rules, 1939. A summary of suggestions received from IAC and the views of the Authority regarding acceptance or otherwise are placed at **Annexure - A**.

The draft of IRDAI (Minimum Information required for Investigation and Inspection) Regulations 2020 at **Annexure - B** is placed before the Authority for approval.