



भारतीय बीमा विनियामक और विकास प्राधिकरण
INSURANCE REGULATORY AND
DEVELOPMENT AUTHORITY OF INDIA

Circular

Ref.: IRDA/F&A/CIR/~~C.P.M/224~~/12/2015

Date: 23rd December, 2015

To

CEOs of all Insurers,

Sub: Reporting of Compliance regarding Indian Ownership and Control.

Attention is drawn to the Guidelines on Indian Owned and Controlled issued by the Authority Ref. IRDA/F&A/GDL/GLD/180/10/2015 on the 19th October, 2015. The Guidelines envisage confirmation of compliance with the criteria of Indian Ownership and Control by all the Indian Insurance Companies within a period of three months, i.e. by the 18th of January, 2016. The stipulations are applicable to all the insurers irrespective of the extent of foreign shareholding. The Guidelines also provide, on an application made to the Authority by an insurer, for an extension of the period of compliance by a further period of three months.

While some insurers have applied to the FIPB as well as the Authority, seeking approval for change in their shareholding pattern and revision in the limit of foreign investment, majority of insurers have not done so. It may be emphasized that the Guidelines provided a maximum period of six months for compliance from the date of issue.

Considering that a majority of insurers have not applied to the Authority either for change in shareholding or for extension of time limit for reporting compliance as envisaged under the guidelines and that the requirement is mandatory in terms of the Insurance Act, 1938 and the Indian Insurance Companies (foreign Investment) Rules, 2015, the Authority is inclined to advise as under:

I. All insurers should confirm and report compliance with the Indian ownership and control criteria as envisaged in the applicable Insurance law within 3 months of the date of the Guidelines, i.e. on or before 18th January, 2016;

II. All insurers who are not in a position to comply with the stipulations as regards the Indian ownership and control should furnish a confirmation on or before 18th January, 2016 from their Board of directors assuring of reporting compliance within a maximum period of six months from the date of the Guidelines.


(V R Iyer)
Member F & I