



IRDA/F&A/ORD/ACTS/265/12/2017

December, 13, 2017

ORDER

Working Group on new standard on Insurance Contracts (equivalent to IFRS 17 – Insurance Contracts)

The Authority had constituted a Working Group on new standard equivalent to IFRS 17- Insurance Contracts of the International Accounting Standards Board (IASB), vide its order dt. 21.08.2017. It was an initial step towards early adoption of the new standard in the Insurance sector. The working group was advised to furnish its recommendations based on the specified terms of reference, within three months.

The working group had few meetings during which the members deliberated on various aspects of the new standard, IFRS 17. The group felt that the standard was very exhaustive, complex and introduced new concepts hitherto not applied and for which there was very limited experience to share even internationally. It was also felt that considering the magnitude of impact the implementation of the standard is likely to have on the Insurance industry in India, as well as the financial statements and disclosures of insurers, it requires a detailed study before implementation.

Therefore, in order to enable a more detailed examination of the provisions contained in the IFRS 17 by the working group, the Authority has decided to grant extension of the time limit for review of the new standard (IFRS 17) up to 30th June, 2018, as requested by the working group.

The constitution and the terms of reference of the working group shall remain the same as that contained in the order of the Authority dt. 21.08.2017. The working group shall furnish its report and recommendations to the Authority by 30th June, 2018.

N. Bathe

(Member In-charge F&A)