

## GUIDELINES

Ref.: IRDA/RI/GDL/SEZ/211 /11/2019

27<sup>th</sup> November, 2019

### **Re: Insurance Regulatory and Development Authority of India {Registration and Operations of International Financial Service Centre Insurance Offices(IIO)} Guidelines, 2017- Amendments**

The Authority vide Ref. No. IRDA/RI/GDL/SEZ/269/12/2017 dated 21.12.2017 had issued Insurance Regulatory and Development Authority of India {Registration and Operations of International Financial Service Centre Insurance Offices(IIO)} Guidelines, 2017 (herein after referred to as 'IRDAI (IIO) Guidelines, 2017') for regulating the process of registration and operations of insurers and reinsurers in International Financial Service Centre, SEZ.

2. Pursuant to amendment of Insurance Act 1938 by the Finance Act (No.2) of 2019, a new sub section (3) is inserted in section 6 of the Insurance Act as under:

*“No insurer, being a foreign company engaged in re-insurance business through a branch established in an International Financial Services Centre referred to in sub section (1) of section 18 of the Special Economic Zones Act, 2005, shall be registered unless it has net owned funds of not less than rupees one thousand crore.”*

3. In line with the above amendment, the Authority in exercise of the powers conferred under Rule 3 of the IRDAI (Regulation of Insurance Business in Special Economic Zone) Rules, 2015, read with Section 18(2) of the Special Economic Zones Act, 2005 and Section 14 of IRDA Act, 1999 hereby makes the following amendment to the IRDAI (IIO) Guidelines, 2017:

Clause 8 (b) of the IRDAI (IIO) Guidelines, 2017 shall be substituted, namely:-

#### **'b. Net Owned Fund (NOF):**

- i. The Applicant, which is a foreign company engaged in re-insurance business and proposes to establish a branch in an International Financial Services Centre, shall also have net owned funds (NOF) as specified in sub section (3)

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of section 6 of the Insurance Act, 1938 at the time of application for registration.

- ii. Such NOF shall be maintained by the applicant at all times during the subsistence and validity of its registration.

Provided that the applicant shall inform the Authority about change in shareholding pattern or ownership of applicant company, if any, within thirty days of effecting such change.'

4. All other provisions of IRDAI (IIO) Guidelines, 2017 shall remain unaltered.

This has approval of the Competent Authority.

  
Suresh Mathur  
Executive Director  
