



PRESS RELEASE

Authority approves draft IFSCA (Managing General Agents) Regulations, 2026

The Authority approved the draft IFSCA (Managing General Agents) Regulations, 2026 (hereinafter referred to as “draft MGA Regulations”) which were presented before it during the 28th meeting of International Financial Services Centres Authority (IFSCA) held on 17th April 2026.

The objective of these regulations is to provide comprehensive regulatory framework for the registration, regulation and operation of Managing General Agents (MGAs) operating in International Financial Services Centres in India, which possess delegated authority from the foreign insurer(s) for underwriting direct insurance business or settlement of claims, ensuring they operate with transparency and accountability to protect policyholders’ interests and support the orderly growth and development of the insurance ecosystem in the IFSC.

Key Features of the draft MGA Regulations

1. Eligibility criteria

The proposed framework enables setting up of MGAs in the IFSC in either incorporated or branch form. Incorporated MGAs shall be set up as company under Companies Act, 2013. Eligibility criteria for branch MGAs *inter alia* includes valid registration and No Objection Certificate (NOC) from home regulator, applicant’s jurisdiction to have Double Taxation Avoidance Agreement (DTAA) agreement with India and be FATF compliant. Further, foreign insurers entering into binding authority agreement with the MGAs, *inter alia* shall have valid registration from home regulator, minimum net worth of USD 100 Mn, minimum credit rating of ‘A’.

2. Scope of business

MGAs, upon registration, shall be permitted to undertake direct insurance business from within the IFSC and outside India. Direct insurance business from DTA India will be subject to Sec. 2CB of Insurance Act, 1938. Further, the business shall be carried out in specified foreign currencies only.



3. Capital and Net Worth Requirements

For all MGAs, USD 500,000 (USD Five Lakh) is specified as minimum capital requirement to be held in an IFSC Banking Unit (IBU). Further, all investment in MGA shall be from own funds and stay unencumbered. Net worth is specified as USD 2,50,000 or 50% of the minimum capital, whichever is higher. However, an MGA in branch form shall be permitted to maintain Net Worth at its parent level.

4. Other provisions

The Regulations provide for:

- a) Binding Authority Agreement (BAA) between Foreign Insurer and MGA
- b) Insurer-wise Fiduciary Accounts and Premium Segregation
- c) Duties of foreign insurer(s) to conduct independent annual audit, on-site review etc.
- d) Financial Security and Deposit Requirements
- e) Board Approved Policy on comparison and distribution of insurance products
- f) Code of conduct for MGAs
- g) Professional Indemnity Insurance requirement
- h) Maintenance of books of accounts and records

The notification will be released in due course on www.ifsca.gov.in

May 11, 2026

GIFT City, Gandhinagar
