

**CONSULTATION PAPER ON PROPOSED TO
IFSCA (Investment by IFSC Insurance Office) (Amendment) REGULATIONS, 2023**

Objective:

The objective of this consultation paper is to seek comments / views/ suggestions from public on the proposed amendments to International Financial Services Authority (Investment by International Financial Service Centre Insurance Office) Regulations, 2022.

Background:

1. The International Financial Services Centres Authority (IFSCA) considering the significance of investment income for insurers and reinsurers, IFSCA in accordance with Section 27 of the Insurance Act, 1938, had notified International Financial Service Centre Insurance Office) Regulations, 2022 on 12th January 2023.
2. Subsequently, the Insurance Regulatory and Development Authority of India notified Insurance Regulatory and Development Authority of India (Re-insurance) (Amendment) Regulations, 2023 on 22nd August 2023. These regulations *inter-alia* enables IFSC Insurance Offices, which invest 100% of retained premiums, emanating from insurers in India, in the Domestic Tariff Area to participate in Category 2 at par with the Foreign Reinsurance Branches, under the Reg. 5, Clause (A) sub-regulation (2), Procedure for Re-insurance placement.
3. In view of the aforesaid draft regulations are placed on the website of the IFSCA at <https://ifsc.gov.in/PublicConsultation>. General public and stakeholders are requested to forward their comments / suggestions through e-mail to Insurance Dept. at insurance-dept@ifsc.gov.in with copy to Mr. Bhaskar Khadakbhavi at bhaskar.khadakbhavi@ifsc.gov.in and Rishi Kale at rishi.kale@ifsc.gov.in by 19th September, 2023 in the attached format. It is further requested to provide comments in MS Word or MS Excel format only.

INTERNATIONAL FINANCIAL SERVICES CENTRES AUTHORITY

NOTIFICATION

Gandhinagar, the xx September, 2023

DRAFT - International Financial Services Centres Authority (Investment by International Financial Services Centre Insurance Office) (Amendment) Regulations, 2023

IFSCA/2023-24/GN/REGxxx — In exercise of the powers conferred by sub-section (1) of Section 28 read with Section 12 and 13 of the International Financial Services Centres Authority Act, 2019, the International Financial Services Centres Authority hereby makes the following Regulations to amend the International Financial Services Centres Authority (Investment by International Financial Services Centre Insurance Office) Regulations, 2022 namely:-

1. Short title and commencement:-

- (1) These Regulations may be called the International Financial Services Centres Authority (Investment by International Financial Services Centre Insurance Office) (Amendment) Regulations, 2023;
- (2) They shall come into force from the date of their publication in the Official Gazette.

Amendment to the International Financial Services Centres Authority (Investment by International Financial Services Centre Insurance Office) Regulations, 2022.

2. In the regulation 5, after sub-regulation (8) the following shall be inserted, namely -

“(9) Regulations 10, 11, 12 and 13 herein shall not be applicable to an IIO investing its retained premium in DTA for the purpose of compliance with the limits mandated under reg. 5(2)(A)(b) of the IRDAI (Re-insurance) Regulation, 2018.

Explanation – The IIO covered under Reg. 5(9) shall continue to follow the mode and manner of investment, as specified in these regulations;”

3. In regulation 20, the words ‘Repeals and Savings:’ shall be substituted with words ‘Non-applicability of certain regulations and savings:’

K. Rajaraman, Chairperson
[ADVT.-III/4/Exty./xxx/2023-24]

Note: The International Financial Services Centres Authority (Investment by International Financial Services Centre Insurance Office) Regulations, 2022 were published in the Gazette of India Extraordinary vide notification No. IFSCA/2022-23/GN/REG030 on 13th January, 2023.

Format for providing comments / suggestions

**Proposed –
International Financial Services Centres Authority (Investment by International
Financial Services Centre Insurance Office) (Amendment) Regulations, 2023**

Inputs / Comments suggested by:

Page No. of Draft Regu.	Reg. No.	Sub-Regu No. /Para No.	Comments / Suggestions / Suggested modifications	Rationale