



PRESS RELEASE

IRDAI issues Master Circular to Bolster India's Reinsurance Market

The Insurance Regulatory and Development Authority of India (IRDAI), the insurance sector regulator of India has recently issued a Master Circular under the IRDAI (Registration and Operations of Foreign Reinsurers Branches and Lloyd's India) Regulations, 2024, and the IRDAI (Re-insurance) Regulations, 2018. This Master Circular *inter-alia* mandates Cross Boarder Re-insurers (CBRs), accepting re-insurance business from India, to maintain collateral in India, marking a significant step towards enhancing the domestic reinsurance landscape.

This initiative is expected to play a pivotal role in retaining reinsurance business within the country, positioning India as a burgeoning hub for reinsurance activities. The requirement of maintaining the collateral locally by CBRs aims to fortify financial security and stability, thereby fostering greater confidence among stakeholders and promoting the growth of the reinsurance sector in India.

This strategic move underscores India's commitment to creating a robust regulatory framework that not only safeguards domestic interests but also attracts global reinsurance players to invest and operate in mainland India or in the international side of India i.e. GIFT IFSC, under the aegis of International Financial Services Centres Authority (IFSCA).

For detailed information, please refer page 73 of the IRDAI Master Circular @ <https://irdai.gov.in/document-detail?documentId=4974650>

Gandhinagar
June 08, 2024
