

Insurance Regulatory and Development Authority of India

Press Release | 30 March, 2026

Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) (Amendment) Regulations, 2026

IRDAI Introduces Ind AS based Financial Reporting Framework for Insurance Sector

The Insurance Regulatory and Development Authority of India (IRDAI), at its 135th Authority Meeting held on 30th March 2026, approved the Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) (Amendment) Regulations, 2026.

These amendments mandate the preparation and presentation of financial statements by insurers in accordance with applicable Indian Accounting Standards (Ind AS), with effect from 1st April 2026. The implementation will be applicable to all categories of insurers, including Life, General, Stand Alone Health Insurers, and Reinsurers.

The amendment sets out the regulatory framework governing the recognition, measurement, presentation and disclosure of financial statements under Ind AS. Introduction of Ind AS aims to enhance consistency, transparency, and comparability in financial reporting across the insurance sector, in alignment with globally accepted standards.

The regulations provide for parallel reporting for a period of two years, or such period as may be specified by the Authority, comprising financial statements prepared in accordance with Ind AS alongside financial information under the existing accounting framework. This approach is intended to enable insurers to stabilise processes and controls, while allowing stakeholders to understand and assess the impact of the new accounting framework.

To facilitate smooth transition, for insurers facing challenges in immediately shifting to Ind AS, a provision has been made to grant forbearance for one-year. During this period, such insurers shall continue to submit Ind AS based financial information also to the Authority.

The framework has been developed after extensive stakeholder consultations, including consideration of public comments on the Exposure Draft and engagement with insurers and industry professionals. The Institute of Chartered Accountants of India (ICAI) and the Institute of Actuaries of India (IAI) welcomed the adoption of Ind AS and expressed their readiness to support insurers, auditing professionals, and actuaries.

These amendments represent a significant step towards modernising the financial reporting framework of the insurance sector in India. By aligning with globally accepted accounting standards, the regulations are expected to enhance transparency, credibility, and regulatory oversight, while safeguarding policyholder interests and supporting the development of a robust and globally aligned insurance ecosystem.