General statement of response to the public comments on Exposure draft of Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) (Second Amendment) Regulations, 2026

Public comments have been received from various stakeholders, including insurers, professional firms and individuals. Provided below is the gist of public comments along with the response of Insurance Regulatory and Development Authority of India (IRDAI).

S.No.	Public comments	IRDAI Response
1	Stakeholders suggested to remove or implement in phased manner the requirement on submission of Financial Condition Report (FCR) and 'Statement of Surplus' for Foreign Reinsurer's Branches (FRBs).	Requirements of the submissions are mandated under amended Section 13 and Section 49 of the Insurance Act, 1938. Considering the comments, FCR format has been rationalized for FRBs.
2	Stakeholders requested to allow the 'Certifying Actuary' to simultaneously work in the same capacity for more than one FRB.	The role and powers of the Certifying Actuary are significantly expanded pursuant to new section 12A of the Insurance Act, 1938. For example, the Certifying Actuary has to prepare the 'Actuary Report' investigating the financial condition of the FRB and certify the statement of surplus in addition to the other functions. To address possible potential conflict of interest, it is necessary for Certifying Actuary to work for not more than one FRB.
3	Stakeholders suggested for waiver of signatures of chairperson and directors on the Actuary Report.	The Report provides key information on Financial Condition of an insurer to the Board of Directors and management. Accordingly, signatories were specified.
4	Stakeholders required additional guidance for determination of 'Valuation Surplus' in case of General Insurance business.	The items referred in the statement for determination of valuation surplus (Form IRDAI-GI-I) have clear references to the existing forms 'IRDAI-GI-SM' and 'Form B – RA'.
5	Enhance limit on the Repo and Government Securities Lending from 10% to not more than 50% of available Government Securities.	The limit is increased to 25%.
6	Allow investment in eligible private limited companies from policyholder funds also.	Investments in Private Limited Companies out of the policyholders' funds are also allowed subject to the condition that the overall investments in private limited companies along with investments in Alternative Investment Funds and Venture Funds is within specified limits.

7	To remove additional requirement of investing not more than 5% in a company or other body corporate which is owned or controlled by the promoters.	The additional requirement emanates from the provisions of Section 27(3) of the Insurance Act, 1938.

The above comments/ suggestions received within the prescribed timeline (19th June, 2026 - 10th July, 2026) were considered and placed before the Competent Authority. Necessary modifications / changes have been carried out on the Draft Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) (Second Amendment) Regulations, 2026.