General statement of response to the public comments on Exposure draft of IRDAI (Registration, Capital Structure, Transfer of Shares and Amalgamation of Insurers) (First Amendment) Regulations, 2026.

Exposure draft of IRDAI (Registration, Capital Structure, Transfer of Shares and Amalgamation of Insurers) (First Amendment) Regulations, 2026 (herein after referred to as "the Amendment Regulations") was published for public consultation on 15.06.2026, with a request to provide comments on or before 06.07.2026. The Amendment Regulations proposes to amend various provisions of IRDAI (Registration, Capital Structure, Transfer of Shares and Amalgamation of Insurers) Regulations, 2024 (herein after referred to as 'the Principal Regulations") The Authority received comments from various stakeholders, including insurers, law firms, institutes as well as from individuals.

The key comments received from the stakeholders, along with response of IRDAI on the same, are briefed as under:

Public Comments	IRDAI Response
Stakeholders suggested to define 'FATF Compliant Jurisdiction'.	The suggested change is in the nature of explanation and shall be suitably incorporated in the Master Circular.
Allow unregistered CIC to be Indian promoter.	The unregistered CIC, being companies, can still be Indian promoter under para (i) of Regulation 3(1)(l) of principal regulations subject to fulfilment of criteria as per said para.
Reference to the 'Core Investment Companies (Reserve Bank) Directions, 2016', may be changed to RBI's 2025 Directions.	Reference to 2016 directions has been substituted with 2025 directions.
In light of the proposed omission of requirement to submit merchant banker certificate under existing Regulation 10(6) of Principal Regulations, it was suggested to omit the similar requirement in the Form IRDAI/R1 also.	Suitable changes have been carried out in the Form IRDAI/R1.
With regard to approval for transfer of shares, it was suggested to retain the existing mechanism of acquisition upto 5% in a financial year, without prior-approval.	In case of acquisition of shares, requirement of prior-approval is applicable where equity holding is likely to exceed key thresholds i.e. 5%, 10%, 25%, 50% and 75%.
The amendment regulations provide that prior-approval for transfer of shares under regulation 21 of principal regulations shall also apply for transfer of shares carried out amongst group entities. It has been suggested to omit the said requirement.	Requirement for approval for transfer emanates from section 6A of the Insurance Act, 1938.

Public Comments	IRDAI Response
While the proposed regulations provide for amalgamation of non-insurance business with insurance business. It was suggested to also allow the amalgamation of insurance business with non-insurance business	Recognised possibility of transferor company being an insurer or its holding company, while clarifying that the resulting entity shall be an insurer.
Allow individuals to subscribe to other forms of capital (OFC) issued by insurers.	The restriction on individuals to invest in OFC is considered necessary to protect the interests of retail investors.

The comments / suggestions received within the specified timeline (06.07.2026) were suitably considered and placed before the Competent Authority. On approval by the Competent Authority, necessary modifications / changes have been carried out in the IRDAI (Registration, Capital Structure, Transfer of Shares and Amalgamation of Insurers) (Amendment) Regulations, 2026.

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