**Suggestions on Proposed Amendments**

**Insurance Act, 1938**

| **S. No.** | **Existing sections of the Insurance Act, 1938** | **Amendments proposed by DFS** |  **Comments / Suggestions from general public** |
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| **Suggested amendment** | **Justification** |
|  | **Section 2. Definitions. —** In this Act, unless there is anything repugnant in the subject or context, —(3) “approved securities” means—(iii) shares of a corporation established by law and guaranteed fully by the Central Government or the Government of a State as to the repayment of the principal and the payment of dividend;(iv) securities issued or guaranteed fully as regards principal and interest by the Government of any Part B State and specified as approved securities for the purposes of this Act by the Central Government by notification in the Official Gazette; andExplanation. — In sub-clauses (i) and (iii), “Government of a State” in relation to any period before the 1st November, 1956, means the Government of a Part A State. | **Section 2. Definitions. —**(iii) shares of a corporation established by law and guaranteed fully by the Central Government or the Government of a State as to the repayment of the principal and the payment of dividend; ~~(iv) securities issued or guaranteed fully as regards principal and interest by the Government of any Part B State and specified as approved securities for the purposes of this Act by the Central Government by notification in the Official Gazette; and~~ |  |  |
| (4A) “banking company” and “company” shall have the meanings respectively assigned to them in clauses (c) and (d) of sub-section (1) of section 5 of the Banking Companies Act, 1949 (10 of 1949); | (4A) “banking company” and “company” shall have the meanings respectively assigned to them in clauses (c) and (d) of ~~sub-section (1) of~~ section 5 of the Banking Regulation Act, 1949; |  |  |
| (5) “certified” in relation to any copy or translation of a document required to be furnished by or on behalf of an insurer or a provident society as defined in Part III means certified by a principal officer of such insurer or provident society to be a true copy or a correct translation, as the case may be. | (5) “certified” in relation to any copy or translation of a document required to be furnished by or on behalf of an insurer ~~or a provident society as defined in Part III~~ means certified by a principal officer of such insurer, or ~~provident society~~any person authorised by the insurer in that behalf, to be a true copy or a correct translation, as the case may be; |  |  |
|  | (5A) “class of insurance business” means the class of:(a) life insurance business; (b) general insurance business; (c) health insurance business; (d) re-insurance business; or(e) or such other class of insurance business as may be notified by the Central Government. |  |  |
| (5B) “Controller of Insurance” means the officer appointed by the Central Government under section 2B to exercise all the powers, discharge the functions and perform the duties of the Authority under this Act or the Life Insurance Corporation Act, 1956 (31 of 1956) or the General Insurance Business (Nationalisation) Act, 1972 (57 of 1972) or the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999) | (5B) “Controller of Insurance” means the officer or officers or person or persons appointed by the Central Government under section 2B to exercise all the powers, discharge the functions and perform the duties of the Authority under this Act or the Life Insurance Corporation Act, 1956 (31 of 1956) or the General Insurance Business (Nationalisation) Act, 1972 (57 of 1972) or the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999) |  |  |
| (6C) “health insurance business” means the effecting of contracts which provide for sickness benefits or medical, surgical or hospital expense benefits, whether in- patient or out-patient travel cover and personal accident cover; | (6C) “health insurance business” means the business of effecting the contracts of insurance that provide sickness benefits or pay for medical and health expenses, and includes,—(i) the personal accident insurance business of effecting the contracts of insurance that provide for payment of money in the event of death, disablement or hospitalization arising out of an accident; and(ii) the travel insurance business of effecting the contracts of insurance that provide for sickness benefits or pay for medical and health expenses or payment of money in the event of death, disablement or hospitalization arising out of an accident or for losses suffered, in the course of travel;  |  |  |
| - | (6D) “**Insurance business**” means the business of effecting insurance contracts, whereby the insurer undertakes to assume risk and to pay to the insured an agreed compensation for loss, damage, or liability arising from a contingent event on such terms and conditions and subject to such limitations as may be agreed, and includes any other form of business as may be notified by the Central Government from time to time. |  |  |
| (7A) “Indian insurance company” meansany insurer, being a company which is limited by shares, and, —(a) which is formed and registered under the Companies Act, 2013 (18 of 2013) as a public company or is converted into such a company within one year of the commencement of the Insurance Laws (Amendment) Act, 2015 (5 of 2015); | (7A) “Indian insurance company” means an insurer being a public company, registered under the Companies Act, 2013; |  |  |
| (7A)(b) in which the aggregate holdings of equity shares by foreign investors including portfolio investors, do not exceed seventy-four per cent. of the paid- up equity capital of such Indian insurance company, and the foreign investment in which shall be subject to such conditions and manner, as may be prescribed; | Moved to new s.3AA(2) |  |  |
| (7A)(c) whose sole purpose is to carry on life insurance business or general insurance business or re-insurance business or health insurance business; | Omitted |  |  |
| (8A) “insurance co-operative society” means any insurer being a co-operative society, —(a) which is registered on or after the commencement of the Insurance (Amendment) Act, 2002 (42 of 2002), as a co-operative society under the Co- operative Societies Act, 1912 (2 of 1912) or under any other law for the time being in force in any State relating to Co-operative Societies or under the Multi- State Co-operative Societies Act, 1984 (51 of 1984); | (8A) “Insurance co-operative society” means an insurer being a co-operative society , formed and registered under-(a) the provisions of Co-operativeSocieties Act, 1912; or(b) any other law for the time being in force in any State relating to Co- operative Societies; or(c) the provisions of the Multi-State Co-operative Societies Act, 2002; |  |  |
| (8A)(b) having a minimum paid-up capital of rupees one hundred crore in case of life insurance business, general insurance business and health insurance business; | Omitted |  |  |
| (8A)(c) in which no body corporate, whether incorporated or not, formed or registered outside India, either by itself or through its subsidiaries or nominees, at any time, holds more than twenty-six per cent of the capital of such Co- operative Society; | Moved to new s.3AA(1) |  |  |
| (8A)(d) whose sole purpose is to carry on life insurance business or general insurance business or health insurance business in India; | Omitted |  |  |
| (9) “insurer” means—(a) an Indian Insurance Company, or(b) a statutory body established by an Act of Parliament to carry on insurance business, or(c) an insurance co-operative society, or(d) a foreign company engaged in re- insurance business through a branch established in India.Explanation. — For the purposes of this sub-clause, the expression “foreign company” shall mean a company or body established or incorporated under a law of any country outside India and includes Lloyd’s established under the Lloyd’s Act, 1871 (United Kingdom) or any of its Members; | (9) “insurer” means an entity carrying on insurance business; |  |  |
| (10B) “intermediary or insurance intermediary” shall have the meaning assigned to it in clause (f) of sub-section (1) of section 2 of the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999); | (10B) insurance intermediary" includes -(a) insurance brokers;(b) re-insurance brokers;(c) corporate agents;(d) third party administrator;(c) surveyors and loss assessors;(f) managing general agents;(g) insurance repositories; and(h) such other entities, as may be notified by the Authority,from time to time; |  |  |
| (13BA) “National Company Law Tribunal” means the National Company Law Tribunal constituted under section 10FB of the Companies Act, 1956 (1 of 1956); | (13BA) “National Company Law Tribunal” means the National Company Law Tribunal constituted under section 408 of the Companies Act, 2013; |  |  |
| (13BB) “the National Company Law Appellate Tribunal” means the National Company Law Appellate Tribunal constituted under sub-section (1) of section 10FR of the Companies Act, 1956 (1 of 1956); | (13BB) “the National Company Law Appellate Tribunal” means the National Company Law Appellate Tribunal constituted under section 410 of the Companies Act, 2013; |  |  |
| - | (13BC) “premium” means the consideration payable under a contract of insurance to the insurer by the policyholder; |  |  |
| - | (14A) “principal officer” means an officer of an insurer, authorized as such for the purposes of this Act; |  |  |
| (16) “private company” and “public company” have the meanings respectively assigned to them in clause (68) and clause (72) of section 2 of the Companies Act, 2013 (18 of 2013); | (16) “private company” and “public company” have the meanings respectively assigned to them in clause (68) and clause (71) of section 2 of the Companies Act, 2013 (18 of 2013); |  |  |
|  | **2B. Appointment of Controller of Insurance. —** (1) If at any time, the Authority is superseded under sub-section (1) of section 19 of the Insurance Regulatory and Development Authority Act, 1999, the Central Government may, by notification in the Official Gazette, appoint a person to be the Controller of Insurance till such time the Authority is reconstituted under sub-section (3) of section 19 of that Act. | **2B. Appointment of Controller of Insurance. —** (1) If at any time, the Authority is superseded under sub-section (1) of section 19 of the Insurance Regulatory and Development Authority Act, 1999, the Central Government may, by notification in the Official Gazette, appoint an officer or officers or person or persons to be the Controller of Insurance till such time the Authority is reconstituted under sub-section (3) of section 19 of that Act. |  |  |
|  | **2C. Prohibition of transaction of insurance business by certain persons.**—(1) Save as hereinafter provided, no person shall, after the commencement of the Insurance (Amendment) Act, 1950 (47 of 1950), begin to carry on any class of insurance business in India and no insurer carrying on any class of insurance business in India shall after the expiry of one year from such commencement, continue to carry on any such business unless he is—(a) a public company, or(b) a society registered under the Co- operative Societies Act, 1912 (2 of1912), or under any other law for the time being in force in any State relating to co- operative societies, or | **2C.** **Prohibition of transaction of insurance business by certain persons.**—(1) Save as hereinafter provided, no person shall, after the commencement of the Insurance (Amendment) Act, 1950 (47 of 1950), begin to carry on any class of insurance business in India and no insurer carrying on any class of insurance business in India shall after the expiry of one year from such commencement, continue to carry on any such business unless such person is—(a) a public company, or(b) a society registered under the Co- operative Societies Act, 1912 (2 of 1912), or under any other law for the time being in force in any State relating to co- operative societies,or the Multi-State Co-operative Societies Act, 2002 or(ba) a statutory body established by an Act of Parliament for time being in force to carry on insurance business; or |  |  |
| **2C.** (c) a body corporate incorporated under the law of any country outside India not being of the nature of a private company: | **2C.** (c) a company or a body established or incorporated under a law of any country outside India that establishes a branch in India for the purpose of re-insurance business exclusively and includes Lloyd’s established under the Lloyd’s Act, 1871 (United Kingdom) or any of its Members: |  |  |
| **2C.** Provided that the Central Government may, by notification in the Official Gazette, exempt from the operation of this section to such extent for such period and subject to such conditions as it may specify, any person or insurer for the purpose of carrying on the business of granting superannuation allowances and annuities of the nature specified in sub- clause (c) of clause (11) of section 2 or for the purpose of carrying on any general insurance business: | **2C.** No change suggested |  |  |
| **2C.** Provided further that in the case of an insurer carrying on any general insurance business no such notification shall be issued having effect for more than three year at any one time. | **2C.** No change suggested. |  |  |
| **2C.**Provided also that no insurer other than an Indian insurance company shall begin to carry on any class of insurance business in India under this Act on or after the commencement of the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999). | **2C.**~~Provided also that no insurer other than an Indian insurance company shall begin to carry on any class of insurance business in India under this Act on or after the commencement of the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999).~~Provided also that no company or body established or incorporated under a law of any country outside India, shall carry on any class of insurance business, other than re-insurance. |  |  |
| **2C.**Provided also an insurer, being an Indian Insurance Company insurance co- operative society or, a body corporate referred to in clause (c) of this sub- section carrying on the business of insurance, may carry on any business of insurance in any Special Economic Zone as defined in clause (za) of section 2 of the Special Economic Zones Act, 2005 (28 of 2005). | **2C.**Provided also that an insurer carrying on ~~the~~ insurance business ~~of insurance~~, may carry on any insurance business in any Special Economic Zone as defined in clause (za) of section 2 of the Special Economic Zones Act, 2005 (28 of 2005). |  |  |
| **2CA.** **Power of Central Government to apply provisions of this Act to Special Economic Zones. The Central Government may, by notification, direct that any of the provisions of this Act**, —(a) shall not apply to insurer, being an Indian Insurance Company, insurance co-operative society or a body corporate referred to in clause (c) of sub-section (1) of section 2C, carrying on the business of insurance, in any Special Economic Zone as defined in clause (za) of section 2 of the Special Economic Zones Act, 2005 (28 of 2005); or(b) shall apply to any insurer, being an Indian Insurance Company, insurance co-operative society or a body corporate referred to in clause (c) of sub-section (1) of section 2C, carrying on the business of insurance, in any Special Economic Zone as defined in clause (za) of section 2 of the Special Economic Zones Act, 2005 (28 of 2005) only with such exceptions, modifications and adaptations as may be specified in the notification. | **2CA. Power of Central Government to apply provisions of this Act to Special Economic Zones and International Financial Services Centres established in Special Economic Zones**.—1. shall not apply to insurer or insurance intermediary in any Special Economic Zone including International Financial Services Centre, as set up under the respective provisions of the Special Economic Zones Act, 2005 (28 of 2005); or

(b) shall apply to the insurer or insurance intermediary in any Special Economic Zone including International Financial Services Centre, as set up under the respective provisions of the Special Economic Zones Act, 2005 (28 of 2005) with such exceptions, modifications and adaptations as may be specified in the notification. |  |  |
|  | **3. Registration. —**(2) Every application for registration shall be made in such manner and shall be accompanied by such documents as may be specified by the regulations. | **3. Registration. —**(2) Every application for registration shall be in such form, manner and shall be accompanied by such documents and by such fee as may be specified by the regulations. |  |  |
| **3. Registration. —**(2A) If, on receipt of an application for registration and after making such inquiry as he deems fit, the Authority is satisfied that—(a) the financial condition and the general character of management of the applicant are sound;(b) the volume of business likely to be available to, and the capital structure and earning prospects of the applicant will be adequate;(c) the interests of the general public will be served if the certificate of registration is granted to the applicant in respect of the class or classes of insurance business specified in the application; and(d) the applicant has complied with the provisions of sections 2C, 5 and 31A and has fulfilled all the requirements of this section applicable to him,the Authority may register the applicant as an insurer and grant him a certificate of registration. | **3. Registration. —**(2A) On receipt of an application for registration under sub-section (2), the Authoritymay, if satisfied after such inquiry as it may deem necessary, that—(a) the financial condition and the general character of management of the applicant are sound;(b) the projected volume of business, the capital structure and earning prospects of, the applicant shall be adequate;(c) the interests of the general public shall be served if the certificate of registration is granted to the applicant; and(d) the applicant has complied with the provisions of ~~sections 2C, 5, and 31A~~~~and has fulfilled all the requirements of this section applicable to him,~~this Act, as may be applicable and all other conditions as may be specified by the Authority;register the applicant as an insurer and grant it a certificate of registration for such class or classes of insurance business for which it is eligible. |  |  |
| **3. Registration. —**(5C) Where a registration is suspended or cancelled under clause (a), clause (d), clause (e), clause (f), clause (g) or clause (i) of sub-section (4), the Authority may at its discretion revive the registration, if the insurer within six months from the date on which the suspension or cancellation took effect complies with the provisions of section 64VA as to the excess of the value of his assets over the amount of his liabilities or has had an application under sub-section (4) of section 3A accepted, or satisfies the Authority that no claim upon him such as is referred to in clause (e) of sub-section (4) remains unpaid or that he has complied with any requirement of this Act or the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999), or of any rule or any regulation, or any order made thereunder or any direction issued under those Acts, or that he has ceased to carry on any business other than insurance business or any prescribed business, as the case may be, and complies with any directions which may be given to him by the Authority.(5D) Where the registration of an insurance company is cancelled under sub-section (4), the Authority may, after the expiry of six months from the date on which the cancellation took effect, apply to the Court for an order to wind up the insurance company, or to wind up the affairs of the company in respect of a class of insurance business, unless the registration of the insurance company has been revived under sub-section (5C) or an application for winding up the company has been already presented to the Court. The Court may proceed as if an application under this sub-section were an application under sub-section (2) of section 53, or sub-section (1) of section 58, as the case may be. | **3. Registration. —**(5C) Where a registration is suspended or cancelled under clause (a), clause (d), clause (e), clause (f), clause (g) or clause (i) of sub-section (4), the Authority may at its discretion revive the registration, if the insurer within six months from the date on which the suspension or cancellation took effect complies with the provisions of section 64VA as to the excess of the value of his assets over the amount of ~~his~~ its liabilities ~~or has had an application under sub-section (4) of section 3A accepted~~, or satisfies the Authority that no claim upon him such as is referred to in clause (e) of sub-section (4) remains unpaid or that he has complied with any requirement of this Act or the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999), or of any rule or any regulation, or any order made thereunder or any direction issued under those Acts, or that he has ceased to carry on any business other than insurance business or any prescribed business, as the case may be, and complies with any directions which may be given to him by the Authority.(5D) Where the registration of an insurance company is cancelled under sub-section (4), the Authority may, after expiry of six months from the date on which the cancellation took effect, apply to the National Company Law Tribunal for an order to wind up the insurance company, or to wind up the affairs of the company in respect of a class of insurance business, unless the registration of the insurance company has been revived under sub-section (5C) or an application for winding up the company has been already presented to the National Company Law Tribunal. The National Company Law Tribunal may proceed as if an application under this sub-section were an application under sub-section (2) of section 53, or sub- section (1) of Sec. 58, as the case may be. |  |  |
|  | New Provision | **3AA Foreign Investment in equity.**- (1) A body corporate, whether incorporated or not, formed or registered outside India, either by itself or through its subsidiaries or nominees, at any time, shall not hold more than twenty-six per cent. of the capital of an insurance co-operative society.(2) On and from the date of commencement of the Insurance (Amendment) Act, 2024, the aggregate holdings of equity shares by foreign investors including portfolio investors in an Indian insurance company may extend up to one hundred percent, subject to the conditions as may be governed by the applicable laws. |  |  |
|  | New Provision | **3AB- Other Functions of an Insurer –** In addition to the insurance business, an insurer may engage in any one or more of the following forms of business, in such manner and as specified by regulations, namely:(a) carrying on and transacting of guarantee and indemnity business;(b) managing, selling and realising any property which may come into the possession of the company in satisfaction or part satisfaction of any of its claims;(c)establishing and supporting or aiding in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex*-*employees of the company or the dependents or connections of such persons; granting pensions and allowances(d) acquiring and undertaking the whole or any part of the business of any person or company, when such business is of a nature enumerated or described in this sub-section;(e) doing all such other things as are incidental or conducive to the promotion or advancement of the business of the company; or(f) any other form of business which the Central Government may, by notification in the Official Gazette, specify as a function of insurer. |  |  |
|  | **6. Requirement as to capital. —**(1) No insurer not being an insurer as defined in sub-clause (d) of clause (9) of section 2, carrying on the business of life insurance, general insurance, health insurance or re-insurance in India or after the commencement of the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999), shall be registered unless he has, —(i) a paid-up equity capital of rupees one hundred crore, in case of a person carrying on the business of life insurance or general insurance; or(ii) a paid-up equity capital of rupees one hundred crore, in case of a person carrying on exclusively the business of health insurance; or(iii) a paid-up equity capital of rupees two hundred crore, in case of a person carrying on exclusively the business as a re-insurer:Provided that the insurer, may enhance the paid-up equity capital, as provided in this section in accordance with the provisions of the Companies Act, 2013 (18 of 2013), the Securities and Exchange Board of India Act, 1992 (15of 1992) and the rules, regulations or directions issued thereunder or any other law for the time being in force:Provided further that in determining the paid-up equity capital, any preliminary expenses incurred in the formation and registration of any insurer as may be specified by the regulations made under this Act, shall be excluded. | **6. Requirement as to capital. —**Provided also, in case of an insurer carrying on business in more than one class of insurance business, the Authority may specify a paid-up equity capital no less than the sum of the paid-up equity capital required for each of such class of insurance business.Provided also that the Authority may reduce the paid-up equity capital to no less than rupees fifty crore for any class of insurance business serving underserved or special segments, as may be specified by regulations. |  |  |
| **6. Requirement as to capital. —**(2) No insurer, as defined in sub-clause (d) of clause (9) of section 2, shall be registered unless he has net owned funds of not less than rupees five thousand crore. | **6. Requirement as to capital. —**(2) No insurer, as referred to in clause (c) of sub-section (1) of section 2C shall be registered unless it has net owned fund of not less than rupees one thousand crore. |  |  |
|  | **6A. Requirements as to capital structure and voting rights and maintenance of registers of beneficial owners of shares.** —(1) No public company limited by shares having its registered office in India, shall carry on life insurance business or general insurance business or health insurance business or re-insurance business, unless it satisfies the following conditions, namely: —(i) that the capital of the company shall consist of equity shares each having a single face value and such other form of capital, as may be specified by the regulations;(ii) that the voting rights of shareholders are restricted to equity shares;(iii) that, except during any period not exceeding one year allowed by the company for payment of calls on shares, the paid-up amount is the same for all shares, whether existing or new:Provided that the conditions specified in this sub-section shall not apply to a public company which has, before the commencement of the Insurance (Amendment) Act, 1950 (47 of 1950), issued any shares other than ordinary shares each of which has a single face value or any shares, the paid-up amount whereof is not the same for all of them for a period of three years from such commencement. | **6A. Requirements as to capital structure and voting rights and maintenance of registers of beneficial owners of shares.** —(1) No public company limited by shares having its registered office in India, shall carry on, insurance business unless it satisfies the following conditions, namely: —No Change Suggested in (i)No Change Suggested in (ii)No Change Suggested in (iii) |  |  |
| **6A. Requirements as to capital structure and voting rights and maintenance of registers of beneficial owners of shares.** —(4) A public company as aforesaid which carries on life insurance business, general and health insurance business and re- insurance business—(a) shall, in addition to the register of members maintained under the Companies Act, 2013 (18 of 2013), maintain a register of shares in which the name, occupation and address of the beneficial owner of each share shall be entered including any change of beneficial owner declared to it within fourteen days from the receipt of such declaration;(b) shall not register any transfer of its shares—(i) unless, in addition to compliance being made with the provisions of section 56 of the Companies Act, 2013 (18 of 2013), the transferee furnishes a declaration in the prescribed form as to whether he proposes to hold the shares for his own benefit or as a nominee, whether jointly or severally, on behalf of others and in the latter case giving the name, occupation and address of the beneficial owner or owners, and the extent of the beneficial interest of each;(ii) where, after the transfer, the total paid-up holding of the transferee in the shares of the company is likely to exceed five per cent. of its paid-up capital unless the previous approval of the Authority has been obtained to the transfer; | **6A. Requirements as to capital structure and voting rights and maintenance of registers of beneficial owners of shares.** —(4) A public company as aforesaid which carries on insurance business—No Change Suggested in (a)No Change Suggested in (b) |  |  |
| **6A. Requirements as to capital structure and voting rights and maintenance of registers of beneficial owners of shares.** —(iii) where, the nominal value of the shares intended to be transferred by any individual, firm, group, constituents of a group, or body corporate under the same management, jointly or severally exceeds one per cent. of the paid-up equity capital of the insurer, unless the previous approval of the Authority has been obtained for the transfer.Explanation.— For the purposes of this sub-clause, the expressions “group” and “same management” shall have the meanings respectively assigned to them in the Competition Act, 2002 (12 of 2003). | **6A. Requirements as to capital structure and voting rights and maintenance of registers of beneficial owners of shares.** —(iii) where, the nominal value of the shares intended to be transferred by any individual, firm, group, constituents of a group, or body corporate under the same management, jointly or severally exceeds five per cent. of the paid-up equity capital of the insurer, unless the previous approval of the Authority has been obtained for the transfer.No Change Suggested |  |  |
| **6A. Requirements as to capital structure and voting rights and maintenance of registers of beneficial owners of shares.** —(11) The provisions of this section, shall, on and from, the commencement of the Insurance (Amendment) Act, 1968, also apply to insurers carrying on general insurance business subject to the following modifications, namely: —(i) that references in sub-sections (1), (3), (5) and (6) to the Insurance (Amendment) Act, 1950, shall be construed as references to the Insurance (Amendment) Act, 1968; | **6A. Requirements as to capital structure and voting rights and maintenance of registers of beneficial owners of shares.** —(i) that references in sub-sections (1) and (5) to the Insurance (Amendment) Act, 1950, shall be construed as references to the Insurance (Amendment) Act, 1968; |  |  |
|  | **6B. Provision for securing compliance with requirements relating to capital structure**.—(1) For the purpose of enabling any public company carrying on life or general or health insurance or re- insurance business to bring its capital structure into conformity with the requirements of section 6A, an officer appointed on this behalf by the Authority may, notwithstanding anything contained in the Indian Companies Act, 1913 (7 of 1913): —(a) examine any scheme proposed for the purpose aforesaid by the directors of the company:Provided that—(i) the scheme has been placed before a meeting of the shareholders for their opinion and has been forwarded to the officer together with the opinion of the shareholders thereon, and(ii) the scheme does not involve any diminution of the liability of the shareholders in respect of unpaid-up share capital;(b) invite objections and suggestions in respect of the scheme so proposed; and(c) after considering such objections and suggestions to the scheme so proposed, sanction it with such modifications as he may consider necessary or desirable. | **6B. Provision for securing compliance with requirements relating to capital structure**.—(1) For the purpose of enabling any public company carrying on insurance business to bring its capital structure into conformity with the requirements of section 6A, an officer appointed on this behalf by the Authority may, notwithstanding anything contained in the Indian Companies Act, 1913 (7 of 1913): —No Change Suggested in (a)No Change Suggested in (b)No Change Suggested in (c) |  |  |
|  | **10.Separation of accounts and funds.—**(1) Where the insurer carries on business of more than one of the following classes, namely, life insurance, fire insurance, marine insurance or miscellaneous insurance, he shall keep a separate account of all receipts and payments in respect of each such class of insurance business and where the insurer carries on business of miscellaneous insurance whether alone or in conjunction with business of another class, he shall, unless the Authority waives this requirement in writing, keep a separate account of all receipts and payments in respect of each of such sub- classes of miscellaneous insurance business as may be specified by the regulations:Provided that no sub-class of miscellaneous insurance business shall be prescribed under this sub-section if the insurance business comprised in the sub- class consist of insurance contracts which are terminable by the insurer at intervals not exceeding twelve months and under which, if a claim arises, the insurer's liability to pay benefit ceases within one year of the date on which the claim arose. | **10.Separation of accounts and funds.—**(1) Where the insurer carries on business of more than one class of insurance business, itshall keep a separate account of all receipts and payments in respect of each such class, in such manner as may be specified by the regulations. |  |  |
| **10.Separation of accounts and funds.—**(2) Where the insurer carries on the business of life insurance, all receipts due in respect of such business, shall be carried to and shall form a separate fund to be called the life insurance fund the assets of which shall, be kept distinct and separate from all other assets of the insurer and the deposit made by the insurer in respect of life insurance business shall be deemed to be part of the assets of such fund; and every insurer shall, within the time limited in sub-section (1) of section 15 in regard to the furnishing of the statements and accounts referred to in section 11, furnish to the Controller a statement showing in detail such assets as at the close of every calendar year duly certified by an auditor or by a person qualified to audit: | **10.Separation of accounts and funds.—**(2) Where the insurer carries on the business of life insurance, all receipts due in respect of such business, shall be carried to and shall form a separate fund to be called the life insurance fund the assets of which shall, be kept distinct and separate from all other assets of the insurer and the deposit made by the insurer in respect of life insurance business shall be deemed to be part of the assets of such fund; and every insurer shall, within the time limited ~~in sub-section (1) of~~ specified by regulations under section 15 in regard to the furnishing of the statements and accounts referred to in section 11, furnish to the ~~Controller~~ Authority a statement showing in detail such assets as at the close of every calendar year duly certified by an auditor or by a person qualified to audit: |  |  |
|  | **11. Accounts and balance-sheet. —**(1) Every insurer, on or after the date of the commencement of the Insurance Laws (Amendment) Act, 2015 (5 of 2015), in respect of insurance business transacted by him and in respect of his shareholders’ funds, shall, at the expiration of each financial year, prepare with reference to that year, balance sheet, a profit and loss account, a separate account of receipts and payments, a revenue account in accordance with the regulations as may be specified. | **11. Accounts and balance-sheet. —**(1) Every insurer, on or after the date of the commencement of the Insurance Laws (Amendment) Act, 2015 (5 of 2015), in respect of insurance business transacted by him and in respect of his shareholders’ funds, shall, at the expiration of each financial year, prepare with reference to that year, balance sheet, a profit and loss account, a separate account of receipts and payments, a revenue account and other financial statements in accordance with the regulations as may be specified. |  |  |
|  | **13. Actuarial report and abstract. —**(1) Every insurer carrying on life insurance business shall, once at least every year cause an investigation to be made by an actuary into the financial condition of the life insurance business carried on by him, including a valuation of his liabilities in respect thereto and shall cause an abstract of the report of such actuary to be made in accordance with the regulations:Provided that the Authority may, having regard to the circumstances of any particular insurer, allow him to have the investigation made as at a date not later than two years from the date as at which the previous investigation was made:Provided further that every insurer, on or after the commencement of the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999), shall cause an abstract of the report of the actuary to be made in such manner as may be specified by the regulations. | **13. Actuary report ~~and abstract~~ —**(1) Every insurer shall, at least once every financial year, cause an investigation to be made by an actuary into the financial condition of the business carried on by it including a valuation of its liabilities in respect thereto and shall cause a report of such actuary to be made for such purpose and in such manner as may be specified by the regulations.Provided that every insurer shall appoint an actuary under this Act subject to the eligibility criteria, and other conditions as may be specified by the regulations.Provided further thatthe Authority may, having regard to the circumstances of any particular insurer, allow the insurer to have the investigation made as at a date not later than two years from the date as at which the previous investigation was made. |  |  |
| **13. Actuarial report and abstract. —**(2) The provisions of sub-section (1) regarding the making of an abstract shall apply whenever at any other time an investigation into the financial condition of the insurer is made with a view to the distribution of profits or an investigation is made of which the results are made public. | **13. Actuarial report ~~and abstract.~~ —**(2)The provisions of sub-section (1) regarding the making of a report shall also apply to any investigation into the financial condition of the insurer made with a view to the distribution of profits or an investigation is made of which the results are made public or for any such purpose as the Authority may determine. |  |  |
| **13. Actuarial report and abstract. —**(3) There shall be appended to every such abstract as is referred to in sub- section (1) or sub- section (2) a certificate signed by the principal officer of the insurer that full and accurate particulars of every policy under which there is a liability either actual or contingent have been furnished to the actuary for the purpose of the investigation.(4) There shall be appended to every such abstract a statement prepared in such form and in such manner as may be specified by the regulations:Provided that, if the investigation referred to in sub-sections (1) and (2) is made annually by any insurer, the statement need not be appended every year but shall be appended at least once in every three years.(5) Where an investigation into the financial condition of an insurer is made as at a date other than the expiration of the year of account, the accounts for the period since the expiration of the last year of account and the balance-sheet as at the date at which the investigation is made shall be prepared and audited in the manner provided by this Act. | **13. Actuarial report ~~and abstract~~. —**(3) There shall be appended to every such report as is referred to in sub-section (1) or sub- section (2) a certificate signed by the principal officer of the insurer that full and accurate particulars of every policy under which there is a liability either actual or contingent have been furnished to the actuary for the purpose of the investigation.(4) There shall be appended to every such report a statement prepared in such form and in such manner as may be specified by the regulations:Provided that, if the investigation referred to in sub-sections (1) and (2) is made annually by any insurer, the statement need not be appended every year but shall be appended at least once in every three years.No change suggested |  |  |
| **13. Actuarial report and abstract. —**(6) The provisions of this section relating to the life insurance business shall apply also to any such sub-class of insurance business included in the class “Miscellaneous Insurance” and the Authority may authorise such modifications and variations of regulations as may be necessary to facilitate their application to any such sub-class of insurance business:Provided that, if the Authority is satisfied that the number and amount of the transactions carried out by an insurer in any such sub-class of insurance business is so small as to render periodic investigation and valuation unnecessary, it may exempt that insurer from the operation of this sub-section in respect of that sub-class of insurance business. | Omitted |  |  |
|  | **15. Submission of returns.—**(1) The audited accounts and statements referred to in section 11 or sub-section (5) of section 13 and the abstract and statement referred to in section 13 shall be printed, and four copies thereof shall be furnished as returns to the Authority within six months from the end of the period to which they refer. | **15. Submission of returns.—**The audited accounts and statements referred to in section 11 or sub-section (5) of section 13 and the statement referred to in section 13 shall be furnished to the Authority in such form and manner as may be specified by the regulations. |  |  |
| **15. Submission of returns.—**(2) Of the four copies so furnished, shallbe signed in the case of a company by the chairman and two directors and by the principle officers of the company and, if the company has a managing director by that managing director and one shall be signed by the auditor who made the audit or the actuary who made the valuation, as the case may be. | **15. Submission of returns.—**Omitted |  |  |
|  | **21 Powers of Authority regarding returns.—**(1) If it appears to the Authority that any return furnished to him under the provisions of this Act is inaccurate or defective in any respect, he may—(a) require from the insurer such further information, certified if he so directs by an auditor or actuary, as he may consider necessary to correct or supplement such return;(b) call upon the insurer to submit for his examination at the principal place of business of the insurer in India any book of account, register or other document or to supply any statement which his may specify in a notice served on the insurer for the purpose;(c) examine any office of the insurer on oath in relation to the return;(d) decline to accept any such return unless the inaccuracy has been corrected or the deficiency has been supplied before the expiry of one month from the date on which the requisition asking for correction of the inaccuracy or supply of the deficiency was delivered to the insurer or of such further time as the Authority may specify in the requisition and if him declines to accept any such return, the insurer shall be deemed to have failed to comply with the provisions of section 15 or section 28 or section 28A or section 28B or section 64V relating to the furnishing of returns. | **21 Powers of Authority regarding returns.—**No Change Suggested in (a)No Change Suggested in (b)No Change Suggested in (c)(d) decline to accept any such return unless the inaccuracy has been corrected or the deficiency has been supplied before the expiry of one month from the date on which the requisition asking for correction of the inaccuracy or supply of the deficiency was delivered to the insurer or of such further time as the Authority may specify in the requisition and if ~~him~~ it declines to accept any such return, the insurer shall be deemed to have failed to comply with the provisions of section 15 or section 28 ~~or section 28A or section 28B~~ or section 64V relating to the furnishing of returns. |  |  |
|  | **22. Power of Authority to order revaluation.—**(2) The provisions of sub-sections (1) and (4) of section 13, and of sub-sections (1) and (2) of section 15, shall apply in relation to an investigation and valuation under this section:Provided that the abstract and statement prepared as the result of such investigation and valuation shall be furnished by such date as the Authority may specify. | **22. Power of Authority to order revaluation.—**(2) The provisions of sub-sections (1) and (4) of section 13, ~~and of sub-sections (1) and (2) of section~~ and section15, shall apply in relation to an investigation and valuation under this section:No change Suggested in proviso |  |  |
|  | **26. Alterations in the particulars furnished with application for registration to be reported.—**Whenever any alteration occurs or is made which affects any of the matters which are required under the provisions of sub-section (2) of section 3 to accompany an application by an insurer for registration, the insurer shall forthwith furnish to the Authority full particulars of such alteration. All such particulars shall be authenticated in the manner required by that sub-section for the authentication of the matters therein referred to, and, where the alteration affects the assured rates, advantages, terms and conditions offered in connection with life insurance policies the actuarial certificate referred to in clause (f) of the said sub-section shall accompany the particulars of the alteration | **26. Alterations in the particulars furnished with application for registration to be reported.—**Whenever any alteration occurs or is made which affects any of the matters which are required under the provisions of sub-section (2) of section 3 to accompany an application by an insurer for registration, the insurer shall forthwith furnish to the Authority full particulars of such alteration. All such particulars shall be authenticated in the manner required by that sub-section for the authentication of the matters therein ~~referred to, and, where the alteration affects the assured rates, advantages, terms and conditions offered in connection with life insurance policies the actuarial certificate referred to in clause (f) of the said sub-section shall accompany the particulars of the alteration~~ |  |  |
|  | **27. Investment of assets. —****(1)** Every insurer shall invest and at all times keep invested assets equivalent to not less than the sum of**—**(a) the amount of his liabilities to holders of life insurance policies in India on account of matured claims, and(b) the amount required to meet the liability on policies of life insurance maturing for payment in India,less—(i) the amount of premiums which have fallen due to the insurer on such policies but have not been paid and the days of grace for payment of which have not expired, and(ii) any amount due to the insurer for loans granted on and within the surrender values of policies of life insurance maturing for payment in India issued by him or by an insurer whose business he has acquired and in respect of which he has assumed liability in the followingmanner, namely: **—**(a) twenty-five per cent. of the said sum in Government securities, a further sum equal to not less than twenty-five per cent. of the said sum in Government securities or other approved securities; and(b) the balance in any of the approved investments, as may be specified by the regulations subject to the limitations, conditions and restrictions specified therein.(2) In the case of an insurer carrying on general insurance business, twenty per cent. of the assets in Government Securities, a further sum equal to not less than ten per cent. of the assets in Government Securities or other approved securities and the balance in any other investment in accordance with the regulations of the Authority and subject to such limitations, conditions and restrictions as may be specified by the Authority in this regard.Explanation. —In this section, the term “assets” means all the assets of insurer at their carrying value but does not include any assets specifically held against any fund or portion thereof in respect of which the Authority is satisfied that such fund or portion thereof, as the case may be, is regulated by the law of any country outside India or miscellaneous expenditure or in respect of which the Authority is satisfied that it would not be in the interest of the insurer to apply the provisions of this section.(3) For the purposes of sub-sections (1) and (2), any specified assets shall, subject to such conditions, if any, as may be specified, be deemed to be assets invested or kept invested in approved investments specified by regulations.. | **27. Investment of assets. —**(1) Every insurer shall, in order to meet its liabilities, invest and at all times keep invested assets of value not less than that of the liabilities in the following manner, namely: **—**a. In case of an insurer carrying on life insurance business:(i) twenty-five per cent. of the said assets in Government securities;(ii) a further sum equal to not less than twenty- five per cent. of the said assets in Government securities or other approved securities; and(iii) the balance in any of such approved investments with such limitations, conditions and restrictions as may be specified by the regulations;b. In the case of an insurer carrying on insurance business other than life insurance business:(i) twenty per cent. of the said assets in Government Securities;(ii) a further sum equal to not less than ten per cent. of the said assets in Government Securities or other approved securities; and(iii) the balance in any of the approved investments with such limitations, conditions and restrictions as may be specified by the regulations;Provided that an insurer may, subject to the conditions as may be specified by the regulations, invest or keep invested any part of its controlled funds or assets otherwise than in approved investments, if such investments do not exceed fifteen per cent of the assets referred to in this sub-section (1).(2) The investment of the whole or any part of the assets of the insurer shall be subject to —(a) the condition that the assets referred to in sub-section (1) shall be held free of any encumbrance, charge, hypothecation or lien; and(b) such limitations,and conditions as may be specified by the regulations.(3) Subject to the terms and conditions as may be specified by the regulations, an insurer may invest not more than five per cent. of the assets referred to in sub- section (1), by value, in a company or other body corporate which is owned or controlled by the promoters.(4) Nothing contained in this section shall be deemed to affect in any way the manner in which any moneys relating to the provident fund of any employee or to any security taken from any employee or other moneys of a like nature are required to be held by or under any Central Act, or Act of a State legislature for the time being in force.(5) The assets being invested by an insurer incorporated or domiciled outside India, except to the extent of any part thereof which consists of foreign assets held outside India, shall be held in India and in trust for the discharge of the liabilities and shall be vested in trustees resident in India and approved by the Authority, and the instrument of trust shall be executed by the insurer, with the approval of the Authority, in such manner as may be specified by the Authority. |  |  |
| **27. Investment of assets. —**(4) In computing the assets referred to in sub-sections (1) and (2), any investment made with reference to any currency other than the Indian rupee which is in excess of the amount required to meet the liabilities of the insurers in India with reference to that currency, to the extent of such excess, shall not be taken into account:Provided that nothing contained in this sub-section shall affect the operation of sub-section (2):Provided further that the Authority may, either generally or in any particular case, direct that any investment shall, subject to such conditions as may be imposed, be taken into account, in such manner as may be specified in computing the assets referred to in sub-sections (1) and (2) and where any direction has been issued under this proviso, copies thereof shall be laid before each house of Parliament as soon as may be after it is issued.(5) Where an insurer has accepted re-insurance in respect of any policies of life insurance issued by another insurer and maturing for payment in India or has ceded re-insurance to another insurer in respect of any such policies issued by himself, the sum referred to in sub-section (1) shall be increased by the amount of the liability involved in such acceptance and decreased by the amount of the liability involved in such cession(6) The Government securities and other approved securities in which assets are under sub-section (1) or sub-section (2) to be invested and kept invested shall be held by the insurer free of any encumbrance, charge, hypothecation or lien.(7) The assets required by this section to be held invested by an insurer incorporated or domiciled outside India shall, except to the extent of any part thereof which consists of foreign assets held outside India, be held in India and all such assets shall be held in trust for the discharge of the liabilities of the nature referred to in sub-section (1) and shall be vested in trustees resident in India and approved by the Authority, and the instrument of trust under this sub-section shall be executed by the insurer with the approval of the Authority and shall define the manner in which alone the subject-matter of the trust shall be dealt with. | **27. Investment of assets. —**(6) The Authority may, either generally or in any particular case, direct that any investment shall, subject to such conditions as may be imposed, be taken into account, in such manner as may be specified, in computing the assets referred to in sub-sections (1) and where any direction has been issued under this sub-section (6), copies thereof shall be laid before each house of Parliament as soon as may be after it is issued.(7) If at any time the Authority considers any one or more of the investments of an insurer to be unsuitable or undesirable, the Authority may, after giving the insurer an opportunity of being heard, direct it to realise the investment or investments, and the insurer shall comply with the direction within such time as may be specified in this behalf by the Authority.(8) Without prejudice to anything contained in this section, the Authority may, in the interests of the policyholders, specify by the regulations, the time, manner and other conditions of investment of assets to be held by an insurer for the purposes of this Act.(9) The Authority may give specific directions for the time, manner and other conditions subject to which the funds of policyholders shall be invested in the infrastructure and social sector, as may be specified by the regulations and such regulations shall apply uniformly to all the insurers on or after the commencement of the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999).(10) The Authority may, after taking into account the nature of business and to protect the interests of the policyholders, issue to an insurer the directions relating to the time, manner and other conditions of investment of assets to be held by it: Provided that no direction under this sub-section shall be issued unless the insurer concerned has been given a reasonable opportunity of being heard.Explanation.—In this section, the expression—(i) “controlled”, in relation to a company or other body corporate, means the right to appoint majority of its directors or to control its management or policy decisions exercisable by the promoters acting individually or in concert, directly or indirectly, including by virtue of shareholding or management rights or shareholders agreements or voting agreements;(ii) “liabilities” means the net liabilities of the insurer to the holders of policies;(iii) “owned” in relation to a company means the holding of more than fifty per cent. of its paid-up share capital by the promoters, and includes a subsidiary company of such a company;(iv) “promoter” means a person—(a) who has been named as such in a prospectus inviting offers from the public for the subscription or purchase of any securities of an insurer, or is identified as such by the insurer in its annual returns filed with the person having the duty of registering companies;(b) who has control over the affairs of the insurer, directly or indirectly whether as a shareholder, director or otherwise; or(c) in accordance with whose advice, directions or instructions the board of directors of the insurer is accustomed to act but shall not apply to a person who is acting merely in a professional capacity;(v) “controlled funds” means all the funds of an insurer, but does not include any fund or portion thereof in respect of which the Authority is satisfied that such fund or portion thereof, as the case may be, is regulated by the law of any country outside India or in respect of which the Authority is satisfied that it would not be in the interest of the insurer to apply the provisions of this section.(vi) “assets” means all the assets of insurer at their carrying value but does not include any assets specifically held against any fund or portion thereof in respect of which the Authority is satisfied that such fund or portion thereof, as the case may be, is regulated by the law of any country outside India or miscellaneous expenditure or in respect of which the Authority is satisfied that it would not be in the interest of the insurer to apply the provisions of this section. |  |  |
|  | **27A. Further provisions regarding investments.—**(1) No insurer carrying on life insurance business shall invest or keep invested any part of his controlled fund and no insurer carrying on general business shall invest or keep invested any part of his assets otherwise than in any of the approved investments as may be specified by the regulations subject to such limitations, conditions and restrictions therein.(2) Notwithstanding anything contained in sub-section (1) or sub-section (2) of section 27, an insurer may, subject to the provisions contained in the next succeeding sub-sections, invest or keep invested any part of his controlled fund or assets otherwise than in an approved investment, if—(i) after such investment, the total amounts of all such investments of the insurer do not exceed fifteen per cent. of the sum referred to in sub-section (1) of section 27 or fifteen per cent. of the assets referred to in sub-section (2) as the case may be;(ii) the investment is made, or, in the case of any investment already made, the continuance of such investment is with the consent of all the directors present at a meeting and eligible to vote, special notice of which has been given to all the directors then in India, and all such investments, including investments in which any director is interested, are reported without delay to the Authority with full details of the investments and the extent of the director's interest in any such investment.(3) An insurer shall not out of his controlled fund or assets as referred to in section 27, —(a) invest in the shares of any one banking company; or(b) invest in the shares or debentures of any one company,more than the percentage specified by the regulations.(4) An insurer shall not out of his controlled fund or assets as referred to in sub-section (2) of section 27 invest or keep invested in the shares or debentures of any private limited company.(5) All assets forming the controlled fund or assets as referred to in sub-section (2) of section 27, not being Government securities or other approved securities in which assets are to be invested or held invested in accordance with this section, shall (except for a part thereof not exceeding one-tenth of the controlled fund or assets as referred to in sub-section (2) thereof in value which may, subject to such conditions and restrictions as may be prescribed, be offered as security for any loan taken for purposes of any investment), be held free of any encumbrance, charge, hypothecation or lien.(6) If at any time the Authority considers any one or more of the investments of an insurer to be unsuitable or undesirable, the Authority may, after giving the insurer an opportunity of being heard, direct him to realise the investment or investments, and the insurer shall comply with the direction within such time as may be specified in this behalf by the Authority.(7) Nothing contained in this section shall be deemed to affect in any way the manner in which any moneys relating to the provident fund of any employee or to any security taken from any employee or other moneys of a like nature are required to be held by or under any Central Act, or Act of a State legislature.Explanation. —In this section “controlled fund” means—(a) in the case of any insurer carrying on life insurance business—(i) all his funds, if he carries on no other class of insurance business;(ii) all the funds in India appertaining to his life insurance business if he carries on some other class of insurance business also.Explanation.—For the purposes of sub-clauses (i) and (ii), the fund does not include any fund or portion thereof in respect of which the Authority is satisfied that such fund or portion, as the case may be, is regulated by the law in force of any country outside India or it would not be in the interest of the insurer to apply the provisions of this section;(b) in the case of any other insurer carrying on life insurance business—(i) all his funds in India, if he carries on no other class of insurance business;(ii) all the funds in India appertaining to his life insurance business if he carries on some other class of insurance business also; but does not include any fund or portion thereof in respect of which the Authority is satisfied that such fund or portion thereof, as the case may be, is regulated by the law of any country outside India or in respect of which the Authority is satisfied that it would not be in the interest of the insurer to apply the provisions of this section. | Section 27A is omitted |  |  |
|  | **27B. Provisions regarding investments of assets of insurer carrying general insurance business.—**(1) All assets of an insurer carrying on general insurance business shall, subject to such conditions, if any, as may be prescribed, be deemed to be assets invested or kept invested in approved investments specified in section 27.(2) All assets shall (except for a part thereof not exceeding one-tenth of the total assets in value which may subject to such conditions and restrictions as may be prescribed, be offered as security for any loan taken for purposes of any investment or for payment of claims, or which may be kept as security deposit with the banks for acceptance of policies) be held free of any encumbrance, charge, hypothecation or lien.(3) Without prejudice to the powers conferred on the Authority by sub-section (5) of section 27A nothing contained in this section shall be deemed to require any insurer to realise any investment made in conformity with the provisions of sub-section (1) of section 27 after the commencement of the Insurance (Amendment) Act, 1968 (62 of 1968), which, after the making thereof, has ceased to be an approved investment within the meaning of this section. | Section 27B is omitted |  |  |
|  | **27C. Investment by insurer in certain cases. —**An insurer may invest not more than five per cent. in aggregate of his controlled fund or assets as referred to in sub-section (2) of section 27 in the companies belonging to the promoters, subject to such conditions as may be specified by the regulations. | Section 27C is omitted |  |  |
|  | **27D. Manner and condition of investment. —**(1) Without prejudice to anything contained in this section, the Authority may, in the interests of the policyholders, specify by the regulations, the time, manner and other conditions of investment of assets to be held by an insurer for the purposes of this Act.(2) The Authority may give specific directions for the time, manner and other conditions subject to which the funds of policyholders shall be invested in the infrastructure and social sector as may be specified by the regulations and such regulations shall apply uniformly to all the insurers carrying on the business of life insurance, general insurance, or health insurance or re-insurance in India on or after the commencement of the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999).(3) The Authority may, after taking into account the nature of business and to protect the interests of the policyholders, issue to an insurer the directions relating to the time, manner and other conditions of investment of assets to be held by him:Provided that no direction under this sub-section shall be issued unless the insurer concerned has been given a reasonable opportunity of being heard. | Section 27D is omitted |  |  |
|  | **30. Liability of directors, etc., for loss due to contravention of section 27, 27A, 27B, 27C, 27D or section 29.—**If by reason of a contravention of any of the provisions of section 27, 27A, 27B, 27C, 27D or section 29, any loss is sustained by the insurer or by the policyholders, every director, manager or officer who is knowingly a party to such contravention shall, without prejudice to any other penalty to which he may be liable under this Act, be jointly and severally liable to make good the amount of such loss. | **30.** **Liability of directors, etc., for loss due to contravention of section 27, ~~27A, 27B, 27C, 27D~~ or section 29.—**If by reason of a contravention of any of the provisions of section 27~~, 27A, 27B, 27C, 27D~~ or section 29, any loss is sustained by the insurer or by the policyholders, every director, manager or officer who is knowingly a party to such contravention shall, without prejudice to any other penalty to which he may be liable under this Act, be jointly and severally liable to make good the amount of such loss. |  |  |
|  | **31. Assets of insurer how to be kept. —**1. None of the assets in India of any insurer shall, except in so far as assets are required to be vested in trustees under sub-section (7) of section 27, be kept otherwise than in the name of a public officer approved by the Authority, or in the corporate name of the undertaking, of a company or an insurance co-operative society, as the case maybe.
2. Nothing contained in this section shall be deemed to prohibit the endorsement in favour of a banking company of any security or other document solely for the purpose of collection or for realisation of interest, bonus or dividend.
 | **31. Assets of insurer how to be kept. —**(1) None of the assets in India of any insurer shall, except in so far as assets are required to be vested in trustees under sub-section (5) of section 27, be kept otherwise than in the name of a public officer approved by the Authority, or in the corporate name of the undertaking, of a company or an insurance co-operative society, as the case maybe.No Change in sub-section (2). |  |  |
|  | **31A. Provisions relating to managers, etc.—**(1) Notwithstanding anything to the contrary contained in the Companies Act, 2013 (18 of 2013), or in the articles of association of the insurer, if a company, or in any contract or agreement, no insurer shall after expiry of one year from the commencement of the Insurance (Amendment) Act, 1950 ( 47 of 1950 ), —(a) be directed or managed by, or employ as manager or officer,(b) be directed or managed by, or employ as manager or officer or in any capacity, any person whose remuneration or any part thereof takes the form of commission or bonus or a share in the valuation surplus in respect of the life insurance business of the insurer, or(c) be directed or managed by, or employ as manager or officer or in any capacity, any person whose remuneration or any part thereof takes the form of commission or bonus in respect of the general insurance business of the insurer: | **31A. Provisions relating to managers, etc.—**(1) Notwithstanding anything to the contrary contained in the Companies Act, 2013 (18 of 2013), or in the articles of association of the insurer, of a company, or in any contract or agreement, no insurer shall after expiry of one year from the commencement of the Insurance Laws (Amendment) Act, 2024, be directed or managed by a company or a firm*,* be directed or managed by or employ as manager or officer or in any capacity, any person whose remuneration or any part thereof takes the form of commission or bonus or a share in the valuation surplus. |  |  |
|  | **32A. Prohibition of common officers and requirement as to whole-time officers –**(1) A managing director or other officer of an insurer carrying on life insurance business shall not be a managing director or other officer of any other insurer carrying on life insurance business or of a banking company or of an investment company:Provided that the Authority may permit such managing director or other officer to be a managing director or other officer of any other insurer carrying on life insurance business for the purpose of amalgamating the business of the two insurers or transferring the business of one insurer to the other. | **32A. Prohibition of common officers and requirement as to whole-time officers –**~~(1)~~ A managing director or other officer of an insurer ~~carrying on life insurance business~~ shall not be a managing director or other officer of any other insurer ~~carrying on life insurance business~~ or of a banking company or of an investment company:Provided that the Authority may permit such Managing Director or other officer to be a Managing Director or other officer of any other insurer for the purpose of amalgamating the business of the two insurers or transferring the business of one insurer to the other; or any other amalgamation permitted under the Act |  |  |
|  | **32B. Insurance business in rural and social sectors —**Every insurer shall, after the commencement of the Insurance Regulatory and Development Authority Act, 1999, undertake such percentages of life insurance business and general insurance business in the rural and social sectors, as may by specified, in the Official Gazette by the Authority, in this behalf | **32B. Insurance business in rural and social sectors —**Every insurer shall, after the commencement of the Insurance Regulatory and Development Authority Act, 1999, undertake such percentages of ~~life insurance business and general~~ insurance business in the rural and social sectors, as may by specified, in the Official Gazette by the Authority, in this behalf |  |  |
|  | **32C. Obligations of insurer in respect of rural or unorganised sector and backward classes. —** Every insurer shall, after the commencement of the Insurance Regulatory and Development Authority Act, 1999, discharge the obligations specified under section 32B to provide life insurance or general insurance policies to the persons residing in the rural sector, workers in the unorganised or informal sector or for economically vulnerable or backward classes of the society and other categories of persons as may specified by regulations made by the Authority and such insurance policies shall include insurance for crops. | **32C. Obligations of insurer in respect of rural or unorganised sector and backward classes. —** Every insurer shall, after the commencement of the Insurance Regulatory and Development Authority Act, 1999, discharge the obligations specified under section 32B to provide ~~life insurance or general~~ insurance policies to the persons residing in the rural sector, workers in the unorganised or informal sector or for economically vulnerable or backward classes of the society and other categories of persons as may specified by regulations made by the Authority and such insurance policies shall include insurance for crops. |  |  |
|  | **33. Power of investigation and inspection by Authority. —**(6) On receipt of any report under sub-section (1) or sub-section (5), the Authority may, after giving such opportunity to the insurer or intermediary or insurance intermediary, as the case may be, to make a representation in connection with the report as, in the opinion of the Authority, seems reasonable, by order in writing, —(a) require the insurer, to take such action in respect of any matter arising out of the report as the Authority may think fit; or(b) cancel the registration of the insurer or intermediary or insurance intermediary, as the case may be; or(c) direct any person to apply to the court for the winding up of the insurer or intermediary or insurance intermediary, as the case may be, if it is a company, whether the registration of the insurer or intermediary or insurance intermediary, as the case may be, has been cancelled under clause (b) or not. | **33. Power of investigation and inspection by Authority. —**(6) On receipt of any report under sub- section (1) or sub-section (5), the Authority may, after giving such opportunity to the insurer or intermediary or insurance intermediary, as the case may be, to make a representation in connection with the report as, in the opinion of the Authority, seems reasonable, by order in writing, —(a) require the insurer or insurance intermediary, to take such action in respect of any matter arising out of the report as the Authority may think fit; orNo change is suggested in (b)No change is suggested in (c) |  |  |
|  | **33A. Power to appoint staff. —**The Authority may appoint such staff, and at such places at it or he may consider necessary, for the scrutiny of the returns, statements and information furnished by insurers under this Act and generally to ensure the efficient performance of the functions of the Authority under this Act. | **33A. Power to appoint staff. —** The Authority may appoint such staff, and at such places as it ~~or he~~ may consider necessary, for the scrutiny of the returns, statements and information furnished by insurers or insurance intermediaries under this Act and generally to ensure the efficient performance of the functions of the Authority under this Act. |  |  |
|  | **34. Power of the Authority to issue directions. —**(1) Where the Authority is satisfied that —(a) in the public interest; or(b) to prevent the affairs of any insurer being conducted in a manner detrimental to the interests of the policy-holders or in a manner prejudicial to the interests of the insurer; or(c) generally to secure the proper management of any insurer,it is necessary to issue directions to insurers generally or to any insurer in particular, he may, from time to time, issue such directions as he deems fit, and the insurers or the insurer, as the case may be, shall be bound to comply with such directions:Provided that no such direction shall be issued to any insurer in particular unless such insurer has been given a reasonable opportunity of being heard. | **34. Power of the Authority to issue directions. —**1. Where the Authority is satisfied that it is necessary or expedient, —
	1. in the public interest; or
	2. to prevent the affairs of an insurer or insurance intermediary being conducted in a manner detrimental to the interests of the policy-holders or in a manner prejudicial to the interests of the insurer or insurance intermediary; or

(c) ~~generally~~ to secure the proper management of an insurer or insurance intermediary, it may issue such directions as it deems fit, to insurers or insurance intermediaries generally or in particular, including directions of disgorgements and such insurer or insurance intermediary, as the case may be, shall be bound to comply with such directions:Provided that no such directions shall be issued to any insurer or insurance intermediary in particular unless such insurer or insurance intermediary has been given a reasonable opportunity of being heard. |  |  |
| - | Explanation.—For the removal of doubts, it is hereby clarified that the power to issue directions under this section shall include and always be deemed to have included the power to direct any person, who made profit or averted loss by indulging in any transaction or activity in contravention of the provisions of this Act or regulations made thereunder, to disgorge an amount equivalent to the wrongful gain made or loss averted by such contravention. |  |  |
|  | **34A. Amendment of provisions relating to appointments of managing directors, etc., to be subject to previous approval of the Authority. —**(2) Nothing contained in sections 268and 269, the proviso to sub-section (3) of section 309, sections 310 and 311, the proviso to section 387, and section 388 (in so far as section 388 makes the provisions of sections 310 and 311 apply in relation to the manager of a company) of the Companies Act, 1956(1 of 1956), shall apply to any matter in respect of which the approval of the authority has to be obtained under sub-section (1). | **34A. Amendment of provisions relating to appointments of managing directors, etc., to be subject to previous approval of the Authority. —**(2) Nothing contained in sections 196, 197 and 203 of the Companies Act, 2013 (18 of 2013), shall apply to any matter in respect of which the approval of the Authority has to be obtained under sub- section (1). |  |  |
|  | **34H. Search and seizure. —**(1) Where the Chairperson of the Authority, in consequence of information in his possession, has reason to believe that —(a) any person who has been required under sub-section (2) of section 33 to produce, or cause to be produced, any books, accounts or other documents in his custody or power has omitted or failed to produce, or cause to be produced, such books, accounts or other documents, or(b) Any person to whom a requisition to produce any books, accounts or other documents as aforesaid has been or might be issued will not, or would not, produce or cause to be produced, any books, accounts or other documents which will be useful for, or relevant to, an investigation under sub-section (1) of section 33 or an inspection under sub-section (1A) of that section, or(c) a contravention of any provision of this Act has been committed or is likely to be committed by an insurer, or(d) any claim which is due to be settled by an insurer, has been or is likely to be rejected or settled at a figure higher than a reasonable amount, or(e) any claim which is due to be settled by an insurer, has been or is likely to be rejected or settled at a figure lower than a reasonable amount, or(f) any illegal rebate or commission has been paid or is likely to be paid by an insurer, or(g) any books, accounts, receipts, vouchers, survey reports or other documents, belonging to an insurer are likely to be tampered with, falsified or manufactured, | **34H. Search and seizure. —**(1) Where the Chairperson of the Authority, in consequence of information in his possession, has reason to believe that —(a) any person who has been required under sub-section (3) of section 33 to produce, or cause to be produced, any books, accounts or other documents in his custody or power has omitted or failed to produce, or cause to be produced, such books, accounts or other documents, or(b) Any person to whom a requisition to produce any books, accounts or other documents as aforesaid has been or might be issued will not, or would not, produce or cause to be produced, any books, accounts or other documents which will be useful for, or relevant to, an investigation under subsection (1) of section 33 or an inspection under sub-section (2) of that section, or(c) a contravention of any provision of this Act has been committed or is likely to be committed by an insurer or insurance intermediary, orNo change is suggested in (d)No change is suggested in (e)(f) any illegal rebate or commission has been paid or is likely to be paid by an insurer or insurance intermediary, or(g) any books, accounts, receipts, vouchers, survey reports or other documents, belonging to an insurer or insurance intermediary are likely to be tampered with, falsified or manufactured,  |  |  |
|  | **35. Amalgamation and transfer of insurance business.—**(1) Notwithstanding anything contained in any other law for the time being in force, no insurance business of an insurer shall be transferred to or amalgamated with the insurance business of any other insurer except in accordance with a scheme prepared under this section and approved by the Authority. | No change in sub-section (1). The following sub-section (1A) is added after the sub-section (1):–(1A) Without prejudice to the provisions contained in sub-section (1) the Authority may approve a scheme of arrangement or scheme of amalgamation or transfer of business between an insurer and any company not engaged in the insurance business, subject to the provisions of this Act and any other conditions specified by the Authority. |  |  |
| (3) Before an application is made to the Authority to approve any such scheme notices of the intention to make the application together with a statement of the nature of the amalgamation or transfer, as the case may be, and of the reason therefore shall, at least two months before the application is made, be sent to the Authority and certified copies, four in number, of each of the following documents shall be furnished to the Authority, and other such copies shall during the two months aforesaid be kept open for the inspection of the members and policy-holders at the principal and branch offices and chief agencies of the insurers concerned, namely: —(a) a draft of the agreement or deed under which it is proposed to effect the amalgamation or transfer;(b) balance sheets in respect of the insurance business of each of the insurers concerned in such amalgamation or transfer, prepared in such forms as may be specified by the regulations;(c) actuarial reports and abstracts in respect of the life insurance business of each of the insurers so concerned, prepared in conformity with the regulations specified in this regard.(d) a report on the proposed amalgamation or transfer, prepared by an independent actuary who has never been professionally connected with any of the parties concerned in the amalgamation or transfer at any time in the five years preceding the date on which he signs his report;(e) any other reports on which the scheme of amalgamation or transfer was founded.The balance-sheets, reports and abstracts referred to in clauses (b), (c) and (d) shall be prepared as at the date at which the amalgamation or transfer if approved by the Authority is to take effect, which date shall not be more than twelve months before the date on which the application to the Authority is made under this section: | No changes in clauses (a), (b), (d) and (e). “Life” has been removed from “life insurance business” in clause (c). The revised clause is produced below against the existing provision.(c) actuarial reports and abstracts in respect of the ~~life~~ insurance business of each of the insurers so concerned, prepared in conformity with the regulations specified in this regard. |  |  |
| Provided that if the Authority so directs in the case of any particular insurer there may be substituted respectively for the balance-sheet, report and abstract referred to in clauses (b) and (c) prepared in accordance with this sub-section certified copies of the last balance-sheet and last report and abstract prepared in accordance with sections 11 and 13 of this Act or sections 7 and 8 of the Indian Life Assurance Companies Act, 1912 (6 of 1912), if that balance-sheet is prepared as at a date not more than twelve months, and that report and abstract as at a date not more than five years, before the date on which the application to the Authority is made under this section. | Provided that if the Authority so directs in the case of any particular insurer there may be substituted respectively for the balance-sheet, report and abstract referred to in clauses (b) and (c) prepared in accordance with this sub-section certified copies of the last balance-sheet and last report and abstract prepared in accordance with sections 11 and 13 of this Act ~~or sections 7 and 8 of the Indian Life Assurance Companies Act, 1912 (6 of 1912)~~, if that balance-sheet is prepared as at a date not more than twelve months, and that report and abstract as at a date not more than five years, before the date on which the application to the Authority is made under this section. |  |  |
|  | **37. Statements required after amalgamation and transfer.—**…(c) where the amalgamation or transfer has not been made in accordance with a scheme approved by the Authority under section 36— (i) balance-sheets in respect of the insurance business of each of the insurers concerned in such amalgamation or transfer, prepared in the Form set forth in Part II of the First Schedule and in accordance with the regulations contained in Part I of that Schedule, and (ii) certified copies of any other reports on which the scheme of amalgamation or transfer was founded. | **37. Statements required after amalgamation and transfer.—**(c) Where the amalgamation or transfer has not been made in accordance with a scheme approved by the Authority under section 36- 1. balance sheets in respect of the insurance business of each of the insurers concerned in such amalgamation or transfer, prepared in accordance with the regulations specified by the Authority, and
2. certified copies of any other reports on which the scheme of amalgamation or transfer was founded.
 |  |  |
|  | **37A. Power of Authority to prepare Scheme of Amalgamation.—**(2) The scheme aforesaid may contain provisions for all or any of the following matters, namely: —...(i) the continuance of the services of all the employees of the insurer (excepting such of them as not being workmen within the meaning of the Industrial Disputes Act, 1947 (14 of 1947), are specifically mentioned in the scheme) in the transferee insurer at the same remuneration and on the same terms and conditions of service, which they were getting or, as the case may be, by which they were being governed, immediately before the date of the amalgamation: Provided that the scheme shall contain a provision that the transferee insurer shall pay or grant not later than the expiry of the period of three years, from the date of the amalgamation, to the said employees the same remuneration and the same terms and conditions of service as are applicable to the other employees of corresponding rank or status, of the transferee insurer subject to the qualifications and experience of the said employees being the same as or equivalent to those of such other employees of the transferee insurer: Provided further that if in any case any doubt or difference arises as to whether the qualification and experience of any of the said employees are the same as or equivalent to the qualifications and experience of the other employees of corresponding rank or status of the transferee insurer, the doubt or difference shall be referred to the Controller whose decision thereon shall be final; | **37A. Power of Authority to prepare Scheme of Amalgamation.—**(2) The scheme aforesaid may contain provisions for all or any of the following matters, namely: —...(i) the continuance of the services of all the employees of the insurer (excepting such of them as not being workmen within the meaning of the Industrial Disputes Act, 1947 (14 of 1947), are specifically mentioned in the scheme) in the transferee insurer at the same remuneration and on the same terms and conditions of service, which they were getting or, as the case may be, by which they were being governed, immediately before the date of the amalgamation: Provided that the scheme shall contain a provision that the transferee insurer shall pay or grant not later than the expiry of the period of three years, from the date of the amalgamation, to the said employees the same remuneration and the same terms and conditions of service as are applicable to the other employees of corresponding rank or status, of the transferee insurer subject to the qualifications and experience of the said employees being the same as or equivalent to those of such other employees of the transferee insurer: Provided further that if in any case any doubt or difference arises as to whether the qualification and experience of any of the said employees are the same as or equivalent to the qualifications and experience of the other employees of corresponding rank or status of the transferee insurer, the doubt or difference shall be referred to the ~~Controller~~ Authority whose decision thereon shall be final; |  |  |
|  | **40B. Limitation of expenses of management in life insurance business.—** | **40B. Limitation of expenses of management in ~~life~~ insurance business. —** |  |  |
|  | **40C. Limitation of expenses of management in general, health insurance and re-insurance business.—** | **40C. Furnishing details of expenses of management by the insurers.-** |  |  |
|  | **41. Prohibition of rebates.—**(1) No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the insurer: Provided that acceptance by an insurance agent of commission in connection with a policy of life insurance taken out by himself on his own life shall not be deemed to be acceptance of a rebate of premium within the meaning of this sub- section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bona fide insurance agent employed by the insurer. | Change suggested in the provisoProvided that acceptance by an insurance agent of commission in connection with a policy of any class of insurance business taken out by such agent in relation to risks associated with such agent’s own life, health or property shall not be deemed to be acceptance of a rebate of premium within the meaning of this sub-section if at the time of such acceptance the insurance agent satisfies the conditions specified by the Authority establishing that such agent is a bona fide insurance agent employed by the insurer. |  |  |
|  | **42. Appointment of insurance agents. —** (1) An insurer may appoint any person to act as insurance agent for the purpose of soliciting and procuring insurance business:Provided that such person does not suffer from any of the disqualifications mentioned in sub-section (3). | The following proviso is added to sub-section(1):Provided further that the Authority shall, while framing regulations, ensure that no conflict of interest is allowed to arise for any agent representing two or more insurers.  |  |  |
| (2) No person shall act as an insurance agent for more than one life insurer, one general insurer, one health insurer and one of each of the other mono-line insurers:Provided that the Authority shall, while framing regulations, ensure that no conflict of interest is allowed to arise for any agent in representing two or more insurers for whom he may be an agent. | Sub-section (2) shall be omitted |  |  |
| (3) The disqualifications referred to in the proviso to sub-section (1) shall be the following: —* 1. that the person is a minor;
	2. that he is found to be of unsound mind by a court of competent jurisdiction;
	3. that he has been found guilty of criminal misappropriation or criminal breach of trust or cheating or forgery or an abetment of or attempt to commit any such offence by a court of competent jurisdiction:

Provided that where at least five years have elapsed since the completion of the sentence imposed on any person in respect of any such offence, the Authority shall ordinarily declare in respect of such person that his conviction shall cease to operate as a disqualification under this clause;* 1. that in the course of any judicial proceeding relating to any policy of insurance or the winding up of an insurer or in the course of an investigation of the affairs of an insurer it has been found that he has been guilty of or has knowingly participated in or connived at any fraud, dishonesty or misrepresentation against an insurer or insured;
	2. that in the case of an individual, who does not possess the requisite qualifications or practical training or passed the examination, as may be specified by the regulations;
	3. that in the case of a company or firm making, a director or a partner or one or more of its officers or other employees so designated by it and in the case of any other person the chief executive, by whatever name called, or one or more of his employees designated by him, do not possess the requisite qualifications or practical training and have not passed such an examination as required under clauses (e) and (g);
	4. that he has not passed such examination as may be specified by the regulations;
	5. that he has violated the code of conduct as may be specified by the regulations.

(4) Any person who acts as an insurance agent in contravention of the provision of this Act, shall be liable to a penalty which may extend to ten thousand rupees and any insurer or any person acting on behalf of an insurer, who appoints any person as an insurance agent not permitted to act as such or transacts any insurance business in India through any such person shall be liable to penalty which may extend to one crore rupees.(5) The insurer shall be responsible for all the acts and omissions of its agents including violation of code of conduct specified under clause (h) of sub-section (3) and liable to a penalty which may extend to one crore rupees. | No changes in the remaining provisions. |  |  |
|  | **42D. Issue of registration to intermediary or insurance intermediary. —**(3) A registration made under this section shall remain in force for a period of three years only from the date of issue, but shall, if the applicant, being an individual does not, or being a company or firm any of its directors or partners or one or more of its officers or other employees so designated by it and in the case of any other person, the chief executive by whatever name called, or one or more of his employees designated by him does not suffer from any of the disqualifications mentioned in (in clauses (b), (c), (d), (c) and (g) of sub-section (3) of section 42) and the application for renewal of registration reaches the issuing authority at least thirty days before the date on which the registration ceases to remain in force, be renewed for a period of three years at any one time on payment of the fee, determined by the regulations made by the Authority and additional fee for an amount determined by the regulations, not exceeding one hundred rupees by way of penalty, if the application for renewal of the registration does not reach the issuing authority at least thirty days before the date on which the registration ceases to remain in force. | **42D. Issue of registration to intermediary or insurance intermediary. —**(3) Every application for registration as an insurance intermediary shall be in such form and manner and be accompanied by such documents and by such fee as may be specified by the regulations. |  |  |
| (4) No application for the renewal of a registration under this section shall be entertained if the application does not reach the issuing authority before the registration ceases to remain in force:Providedthat the Authority may, if satisfied that undue hardship would be caused otherwise, accept any application in contravention of this sub-section on payment by the applicant of a penalty of seven hundred and fifty rupees. | (4) The existing registered insurance intermediary shall, within a period of three months from the date of commencement of the Insurance Laws (Amendment) Act, 2024, make an application in such form as may be specified by regulations to the Authority for continuation of its registration(4A) A registration made under sub-section (4) and a registration made under sub-section (1) after the commencement of the Insurance Laws (Amendment) Act, 2024 shall remain in force subject to payment of an annual fee specified by the regulations made by the Authority until such registration is suspended or cancelled by the Authority, in accordance with such procedure as may be specified in the regulations by the Authority and the conditions referred to in sub-section (6). |  |  |
| (6) If it be found that an intermediary or an insurance intermediary suffers from any of the foregoing disqualifications, without prejudice to any other penalty to which he may be liable, the Authority shall, and if the intermediary or an insurance intermediary has knowingly contravened any provision of this Act may cancel the registration made to the intermediary or insurance intermediary under this section | (6) The Authority may suspend or cancel the registration of an insurance intermediary, if such insurance intermediary—(i) contravenes any provision of this Act or the Insurance Regulatory and Development Act, 1999 (41 of 1999) or the rules or regulations made thereunder or makes a default in complying with any direction issued or order made,(ii) makes a default in complying with, or acts in contravention of, any requirement of the Companies Act, 2013 (18 of 2013) or the General Insurance Business (Nationalisation) Act, 1972 or the Life Insurance Corporation Act, 1956 or the Foreign Exchange Management Act, 1999 or the Prevention of Money Laundering Act, 2002,(iii) is convicted for an offence under any law for the time being in force,(iv) having its holding company or a joint venture partner having its principal place of business in a country outside India that has been debarred by law or practice of such country to carry on insurance intermediary business,(v) fails to pay the annual fee required under sub-section (4A),(vi) being a co-operative society set up under the relevant State laws or, as the case may be, the Multi-State Co-operative Societies Act, 2002, contravenes the provisions of law as may be applicable to the insurance intermediary,(vii) no longer meets the requirements or qualifications of eligibility, or(viii) makes any other default, as may be specified by regulations. |  |  |
| (7) The Authority may issue a duplicate registration to replace a registration lost, destroyed or mutilated, on payment of such fee, as may be determined by the regulations made by the Authority. | (7) The manner of suspension or cancellation of registration of an insurance intermediary shall be such as may be specified by the regulations. |  |  |
| (8) Any person who acts as an intermediary or an insurance intermediary without being registered under this section to act as such, shall be liable to a penalty which may extend to ten lakh rupees and any person who appoints as an intermediary or an insurance intermediary or any person not registered to act as such or transacts any insurance business in India through any such person, shall be liable to a penalty which may extend to one crore rupees. | (8) The Authority may issue a duplicate certificate of registration to replace a registration certificate which was lost, destroyed or mutilated, or in any other case where the Authority is of opinion that the issue of duplicate certificate is necessary, it may issue the same on payment of such fee, as may be specified by the regulations. |  |  |
| (9) Where the person contravening sub-section (8) is a company or a firm, then, without prejudice to any other proceedings which may be taken against the company or firm, every director, manager, secretary or other officer of the company, and every partner of the firm who is knowingly a party to such contravention shall be liable to a penalty which may extend to ten lakh rupees. | Sub-section (9) is omitted |  |  |
|  | **47. Payment of money into court. —**(1) Where in respect of any policy of life insurance maturing for payment an insurer is of opinion that by reason of conflicting claims to or insufficiency of proof of title to the amount secured thereby or for any other adequate reason it is impossible otherwise for the insurer to obtain a satisfactory discharge for the payment of such amount, the insurer may, apply to pay the amount into the Court within the jurisdiction of which is situated the place at which such amount is payable under the terms of the policy or otherwise. | **47. Payment of money into court. —**(1) Where in respect of any policy of insurance due for payment, an insurer is of opinion that by reason of conflicting claims to or insufficiency of proof of entitlement to receive the due payment, it is impossible otherwise for the insurer to obtain a satisfactory discharge for the payment of such amount, the insurer may, apply to pay the amount into the Court within the jurisdiction of which is situated the place at which such amount is payable under the terms of the policy or otherwise. |  |  |
|  | **48B. Further provision regarding directors. —**1. An insurer specified in sub-clause (b) of clause (9) of section 2 and carrying on life insurance business shall not have a common director with another such insurer.
 | **48B. Further provision regarding directors. —**1. An insurer defined in clause (9) of section 2 and carrying on insurance business shall not have a common director with another insurer carrying on the same class of insurance business.

(2) The provisions of sub- section (1) shall not apply to a director nominated by the Central Government. |  |  |
| (2) The Authority may, for such period, to such extent and subject to such conditions as it may specify, exempt from the operation of the section—1. any insurer, who is a subsidiary company of another insurer, or
2. two or more insurers, for the purpose of facilitating their amalgamation or the transfer of business of one insurer to the other.
 | (3) The Authority may, for a period not exceeding one year, exempt from the application of this section, to such extent and subject to such conditions as it may specify by regulations, two or more insurers, for the purpose of facilitating their amalgamation or the transfer of business of one insurer to the other. |  |  |
|  | **49. Restriction on dividends and bonuses. —**(1) No insurer, who carries on the business of life insurance or any other class or sub-class of insurance business to which section 13 applies, shall, for the purpose of declaring or paying any dividend to shareholders or any bonus to policy-holders or of making any payment in service of any debentures, utilize directly or indirectly any portion of the life insurance fund or of the fund of such other class or sub-class of insurance business, as the case may be, except a surplus shown in the valuation balance-sheet in such form as may be specified by the regulations made by the Authority submitted to the Authority as part of the abstract referred to in section 15 as a result of an actuarial valuation of the assets and liabilities of the insurer; nor shall he increase such surplus by contributions out of any reserve fund or otherwise unless such contributions have been brought in as revenue account applicable to that class or sub-class of insurance business on or before the date of the valuation aforesaid, except when the reserve fund is made up solely of transfers from similar surpluses disclosed by valuations in respect of which returns have been submitted to the Authority under section 15 of this Act: | **49. Restriction on dividends and bonuses. —**1) No insurer ~~who carries on the business of life insurance or any other class or sub-class of insurance business to which section 13 applies,~~ shall, for the purpose of declaring or paying any dividend to shareholders or any bonus to policyholders or of making any payment in services of any debentures, utilize directly or indirectly any portion of the life insurance fund or of the fund of the other class or sub-class of insurance business, as the case may be, except a surplus shown in the valuation balance sheet in such form as may be specified by the regulations made by the Authority submitted to the Authority as part of the abstract referred to in section 15 as a result of an actuarial valuation of the assets and liabilities of the insurer; nor shall he increase such surplus by contributions out of any reserve fund or otherwise unless such contributions have been brought in as revenue through the revenue account applicable to that class or subclass of insurance business on or before the date of the valuation aforesaid, except when the reserve fund is made up solely of transfers from similar surpluses disclosed by valuations in respect of which returns have been submitted to the Authority under section 15 of this Act: |  |  |
|  | **51. Supply of copies of proposals and medical reports. —** Every insurer shall, on application by a policyholder and on payment of a fee not exceeding one rupee, supply to the policyholder certified copies of the questions put to him and his answers thereto contained in his proposal for insurance and in the medical report supplied in connection therewith. | **51. Supply of copies of proposals and medical reports. —** Every insurer shall, on application by a policy-holder and on payment of a fee of one rupee per page, subject to a total maximum fee of rupees two hundred fifty, supply to the policyholder certified copies of the question put to him and his answers thereto contained in his proposal for insurance and in the medical report supplied in connection therewith. |  |  |
|  | **52A. When Administrator for management of insurance business may be appointed. —**(1) If at any time the Authority has reason to believe that an insurer carrying on life insurance business is acting in a manner likely to be prejudicial to the interests of holders of life insurance policies, it may, after giving such opportunity to the insurer to be heard appoint an Administrator to manage the affairs of the insurer under the direction and control of the Authority. | **52A. When Board of Directors, etc., superseded and Administrator for management of insurance business may be appointed. —**(1) If at any time the Authority has reason to believe that an insurer carrying on insurance business is acting in a manner likely to be prejudicial to the interests of its policyholders, it may, for reasons to be recorded in writing, after giving such insurer an opportunity of being heard, supersede the Board of Directors or such other management or governing or executive committee of such insurer, and appoint an Administrator to manage the affairs of the insurer under the direction and control of the Authority for such period not exceeding one year.(1A) The Authority may, in consultation with the Central Government and for reasons to be recorded in writing, extend the period referred to in sub-section (1) from time to time |  |  |
|  | **55. Valuation of liabilities. —**(3) The rule in the Seventh Schedule shall be of the same force and may be repealed, altered or amended as if it were a rule made in pursuance of section 643 of the Companies Act, 2013 (18 of 2013) and rules may be made under that section for the purpose of carrying into effect the provisions of this Act with respect to the winding up of insurance companies. | **55. Valuation of liabilities. —**(3) The rule in the Seventh Schedule shall be of the same force and may be repealed, altered or amended as if it were a rule made in pursuance of section 468 of the Companies Act, 2013 (18 of 2013) and rules may be made under that section for the purpose of carrying into effect the provisions of this Act with respect to thewinding up of insurance companies. |  |  |
|  | **61A. Appeal to National Company Law Appellate Tribunal. —**(6) The appeal filed before the National Company Law Appellate Tribunal under sub-section (1) shall be dealt with by it as expeditiously as possible and endeavour shall be made by it to dispose of the appeal finally within six months from the date of the receipt of the appeal. | **61A. Appeal to National Company Law Appellate Tribunal. —**(6) The appeal filed before the National Company Law Appellate Tribunal under sub-section (1) shall be dealt with by it as expeditiously as possible and endeavour shall be made by it to dispose of the appeal finally within six months from the date of the receipt of the appeal.(7) Where the appeal filed before the National Company Law Appellate Tribunal under sub-section (1) is not disposed within the said period of six months, the Appellate Tribunal shall record its reasons in writing therefore. |  |  |
|  | **64. Books to be kept by insurers established outside India. —** Every insurer having his principal place of business or domicile outside India shall keep at his principal office in India such books of account, registers and documents as will enable the accounts, statements and abstracts which he is required under this Act to furnish to the Authority in respect of the insurance business transacted by him in India to be compiled and, if necessary, checked by the Authority and shall furnish to the Authority on or before the last day of January in every calendar year a certificate from an auditor to the effect that the said books of account, register and documents are being kept as required at the principal office of the insurer in India. | **64. Books to be kept by insurers established outside India. —** Every insurer having his principal place of business or domicile outside India shall keep at his principal office in India such books of account, registers and documents as will enable the accounts, statements and abstracts which he is required under this Act to furnish to the Authority in respect of the insurance business transacted by him in India to be compiled and, if necessary, checked by the Authority and shall furnish to the Authority within such time as may be determined by order issued by the Authority a certificate from an auditor to the effect that the said books of account, register and documents are being kept as required at the principal office of the insurer in India. |  |  |
|  | **64F. Executive Committees of the Life Insurance Council and the General Insurance Council. —**(1) The executive committee of the Life Insurance Council shall consist of the following persons, namely: -1. four representatives of members of the Life Insurance Council elected in their individual capacity by the members in such manner as may be laid down in the bye-laws of the Council;
2. an eminent person not connected with insurance business, nominated by the Authority;
3. three persons to represent insurance agents, intermediaries and policyholders respectively as may be nominated by the Authority;
4. one representative each from self- help groups and insurance co-operative societies:

Provided that one of the representatives as mentioned in clause (a) shall be elected as the Chairperson of the Executive Committee of the Life Insurance Council. | **64F. Executive Committees of the Life Insurance Council and the General Insurance Council. —**(1) The executive committee of the Life Insurance Council shall consist of the following persons, namely: -1. seven representatives of members of the Life Insurance Council elected in their individual capacity by the members in such manner as may be laid down in the bye-laws of the Council;
2. two persons not connected with insurance business, nominated by the Authority;

No change suggested in (c)(ca) two persons nominated by the Central Government.No change suggested in (d) |  |  |
| (2) The Executive Committee of the General Insurance Council shall consist of the following persons, namely: —1. four representatives of members of the General Insurance Council elected in their individual capacity by the members in such manner as may be laid down in the bye-laws of the Council;
2. an eminent person not connected with insurance business, nominated by the Authority; and
3. four persons to represent insurance agents, third party administrators, surveyors and loss assessors and policyholders respectively as may be

nominated by the Authority:Provided that one of the representatives as mentioned in clause (a) shall be elected as the Chairperson of the Executive Committee of the General Insurance Council. | 1. (2) The Executive Committee of the General Insurance Council shall consist of the following persons, namely: —
2. seven representatives of members of the General Insurance Council elected in their individual capacity by the members in such manner as may be laid down in the bye-laws of the Council;
3. two persons not connected with insurance business, nominated by the Authority; and
4. three representatives from among insurance agents, insurance intermediaries and policyholders as may be nominated by the Authority
5. one representative each from self-help groups and insurance co-operative societies as may be nominated by the Authority; and
6. two persons nominated by the Central Government

Provided that one of the representatives as mentioned in clause (a) shall be elected as the Chairperson of the Executive Committee of the General Insurance Council. |  |  |
|  | **64G. Resignation and filling up of casual vacancies**.—(1) Any member of the Executive Committee of the Life Insurance Council or of the General Insurance Council may resign his membership of the Committee by notice in writing addressed to the chairman of the Committee to that effect | **64G. Resignation and filling up of casual vacancies**.—(1) Any member of the Executive Committee of the Life Insurance Council or of the General Insurance Council may resign his membership of the Committee by notice in writing addressed to the chairperson of the Committee to that effect |  |  |
|  | **64H. Duration and dissolution of Executive Committees.**(2) Notwithstanding the dissolution of the Executive Committee of the Life Insurance Council or the General Insurance Council, the outgoing members thereof shall continue to hold office and discharge such administrative and other duties as may be prescribed until such time as a new Executive Committee of the Life Insurance Council or the General Council, as the case may be, shall have been constituted. | **64H. Duration and dissolution of Executive Committees.**(2) Notwithstanding the dissolution of the Executive Committee of the Life Insurance Council or the General Insurance Council, the outgoing members thereof shall continue to hold office and discharge such administrative and other duties as may be prescribed until such time as a new Executive Committee of the Life Insurance Council or the General Insurance Council, as the case may be, shall have been constituted. |  |  |
|  | **64K. Executive Committee of Life Insurance Council may advise in controlling expenses. —….**(1) It shall be the duty of the Executive Committee of the Life Insurance Council to meet at least once before the 31st day of March every year to advise the Authority in fixing under the proviso to sub-section (2) of section 40B the limits by which the actual expenses incurred by an insurer carrying on life insurance business in respect of such business in the preceding year may exceed the limits prescribed under that sub-section, and in fixing any such limits the Authority shall have due regard to the conditions obtaining in life insurance business generally during that year, and he may fix different groups of insurers.(4) The provisions of sub-sections (1) and (4) of section 13 and of sub-sections (1) and (2) of section 15, or, as the case may be, of sub-section (2) of section 16 shall apply in relation to an investigation and valuation under this section: | **64K. Executive Committee of Life Insurance Council may advise in controlling expenses. —…**(1) It shall be the duty of the Executive Committee of the Life Insurance Council to meet at least once before the 31st day of March every year to advise the Authority in fixing under ~~the proviso to sub-section (2)~~ ~~of~~ section 40B the limits by which the actual expenses incurred by an insurer carrying on life insurance business in respect of such business in the preceding year may exceed the limits prescribed under that sub-section, and in fixing any such limits the Authority shall have due regard to the conditions obtaining in life insurance business generally during that year, and he may fix different groups of insurers.(4) The provisions of sub-sections (1) and (4) of section 13 and of ~~sub-sections (1) and (2) of~~ section 15, ~~or, as the case may be, of sub-section (2) of section 16~~ shall apply in relation to an investigation and valuation under this section: |  |  |
|  | **64L. Functions of the Executive Committee of General Insurance Council. —** (1) The functions of the Executive Committee of the General Insurance Council shall be—(a) to aid and advise insurers, carrying on general insurance business**,** in the matter of setting up standards of conduct and sound practice and in the matter of rendering efficient service to holders of policies of general insurance;(b) to render advice to the Authority in the matter of controlling the expenses of such insurers carrying on business in India in the matter of commission and other expenses;(c) to bring to the notice of the Authority the case of any such insureracting in a manner prejudicial the interests of holders of general insurance policies;(d) to act in any matter incidental or ancillary to any of the matters specified in clauses (*a*) to (*c*) as with the approval of the Authority may be notified by the General Insurance Council in the Gazette of India. | **64L. Functions of the Executive Committee of General Insurance Council. —** (1) The functions of the Executive Committee of the General Insurance Council shall be—(a) to aid and advise insurers carrying on general insurance business, health insurance business and re-insurance business**,** in the matter of setting up standards of conduct and sound practice and in the matter of rendering efficient service to holders of policies of general insurance, health insurance and re-insurance;No change suggested in (b)(c) to bring to the notice of the Authority the case of any such insureracting in a manner prejudicial the interests of holders of general insurance policies, health insurance policies and re-insurance policies;No change suggested in (d) |  |  |
| (2) For the purpose of enabling it to effectively discharge its functions, the Executive Committee of the General Insurance Council may collect suchfeesas may be laid down in the bye-laws made by the Council from the insurers carrying on general insurance business.Provided that if the General Insurance Council thinks fit, it may by a resolution passed by it, waive the collection of the prescribed fees for any year and where any such resolution has been approved by the Authority, the Executive Committee of the General Insurance Council shall not collect any fees in relation to that year. | (2) For the purpose of enabling it to effectively discharge its functions, the Executive Committee of the General Insurance Council may collect suchfeesas may be laid down in the bye-laws made by the General Insurance Council from the insurers carrying on general insurance business, health insurance business and re-insurance business:No change suggested in proviso. |  |  |
|  | **64R. General powers of Life Insurance Council and General Insurance Council.**—(1) For the efficient performance of its duties, the Life Insurance Council or the General Insurance Council, as the case may be, may—(a) appoint such officers and servants as may be necessary and fix the conditions of their service;(b) determine the manner in which any prescribed fee may be collected;(c) keep and maintain up-to-date, a copy of list of all insurers who are members of the either Council;(d) make bye-laws for —(i) the holding of elections other than the first elections;(ii) the summoning and holding of meetings, the conduct of business thereat and the number of persons necessary to form a quorum;(iii) the submission by insurers to the Executive Committee of the Life Insurance Council, or the General Insurance Council, of such statements or information as may be required of them and the submission of copies thereof by the insurers to the Authority;(iv) the levy and collection of any fees;(v) the regulation of any other matter which may be necessary for the purpose of enabling it to carry out its duties under this Act. | **64R. General powers of Life Insurance Council and General Insurance Council.**—(1) For the efficient performance of its duties, the Life Insurance Council or the General Insurance Council, as the case may be, may—No change suggested in (a)(b) determine the manner in which, fee, as laid down in the bye laws made by the Life Insurance Council and the General Insurance Council, may be collected;No change suggested in (c)No change suggested in (d) |  |  |
|  | **64ULA. Transitional provisions. —**(1) Notwithstanding anything contained in this Part, until the rates, advantage and terms and conditions laid down by the Advisory Committee under section 64UC are de-notified by the Authority with effect from such date as the Authority may by notification in the Official Gazette determine, and the rates, advantages and terms and conditions are decided by the insurer concerned, the rates, advantages and terms and conditions notified by the Advisory Committee shall continue to be in force and shall always be deemed to have been in force and any such rates, advantages and terms and conditions shall be binding on all the insurers.(2) The Authority shall, in consultation with the Central Government, prepare a scheme for the existing employees of the Tariff Advisory Committee on its dissolution, keeping in view the interests of such employees on such terms and conditions as it may, by order, determine. | Section 64ULA is proposed to be omitted |  |  |
|  | **64VB. No risk to be assumed unless premium is received in advance.**—(2) For the purposes of this section, in the case of risks for which premium can be ascertained in advance, the risk maybe assumed not earlier than the date on which the premium has been paid in cash or by cheque to the insurer.Explanation.—Where the premium is tendered by postal money order or cheque sent by post, the risk may be assumed on the date on which the money order is booked or the cheque is posted, as the case may be. | **64VB. No risk to be assumed unless premium is received in advance.**—(2) For the purposes of this section, in the case of risks for which premium can be ascertained in advance, the risk maybe assumed not earlier than the date on which the premium has been paid in cash or by cheque to the insurer.Explanation.—Where the premium is tendered by postal money order or cheque sent by post or by any online mode, the risk may be assumed on the date on which the money order is booked or the cheque is posted or the money is received in insurer’s bank account, as the case may be. |  |  |
|  | **101A. Re-insurance with Indian re- insurers** —(1) Every insurer shall re-insure with Indian re-insurers such percentage of the sum assured on each policy as may be specified by the Authority, with the previous approval of the Central Government under sub-section (2). | **101A. Re-insurance with Indian re- insurers** —(1) Every insurer shall re-insure with Indian re-insurers a minimum of such percentage of the sum assured on each policy as may be specified by the Authority, with the previous approval of the Central Government under sub-section (2).… |  |  |
|  | **102. Penalty for default in complying with, or act in contravention of, this Act.** —If any person, who is required under this Act, or rules or regulations made thereunder, —(a) to furnish any document, statement, account, return or report to the Authority, fails to furnish the same; or | **102. Penalty for default in complying****with, or act in contravention of, this Act.** —If any insurer or insurance intermediary, who is required under this Act or the Insurance Regulatory and Development Authority Act, 1999, or rules or regulations made thereunder fails to, —(a) furnish any document, statement, account, return or report to the Authority; |  |  |
| (b) to comply with the directions, fails to comply with such directions; | (b) comply with the directions of the Authority; |  |  |
| (c) to maintain solvency margin, fails to maintain such solvency margin; | (c) maintain solvency margin; or |  |  |
| (d) to comply with the directions on the insurance treaties, fails to comply with such directions on the insurance treaties,he shall be liable to a penalty of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less. | (d) comply with the directions on the insurance treaties,he shall be liable to a penalty which shall not be less than rupees one lakh but may extend to rupees five lakh for each day during which such failure continues or not exceeding rupees ten crore, whichever is less. |  |  |
|  | New provision | **103A. Penalty for mis-statement or furnishing false documents.-** If any insurer or insurance intermediary makes a statement, or furnishes any document, statement, account, report or return which is false and which he either knows or believes to be false or does not believe to be true, he shall be liable to a penalty which shall not be less than rupees one crore, but may extend to rupees five crore for each such failure. |  |  |
|  | **104. Penalty for contravention of sections 27, 27A, 27B, 27D and 27E. —** If a person fails to comply with the provisions of section 27, section 27A, section 27B, section 27D and section 27E, he shall be liable to a penalty not exceeding twenty five crore rupees. | **104. Penalty for contravention of sections 27~~, 27A, 27B, 27D~~ and 27E. —** If a person fails to comply with the provisions of section 27~~, section 27A, section 27B, section 27D~~ and section 27E, he shall be liable to a penalty not exceeding rupees twenty -five crore. |  |  |
|  | **New Provision****42D. Issue of registration to intermediary or insurance intermediary.** -**…….**(8) Any person who acts as an intermediary or an insurance intermediary without being registered under this section to act as such, shall be liable to a penalty which may extend to ten lakh rupees and any person who appoints as an intermediary or an insurance intermediary or any person not registered to act as such or transacts any insurance business in India through any such person, shall be liable to a penalty which may extend to one crore rupees. | **105BA Penalty for contravention of section 42D.-**(1) If any person who acts as an insurance intermediary without being registered under section 42D to act as such, he shall be liable to a penalty which shall not be less than rupees one lakh, but may extend to rupees ten lakh or any person not registered to act as such or transacts any insurance business in India through any such person, shall be liable to a penalty which shall not be less than rupees ten lakh, but may extend to rupees one crore. |  |  |
| (9) Where the person contravening sub-section (8) is a company or a firm, then, without prejudice to any other proceedings which may be taken against the company or firm, every director, manager, secretary or other officer of the company, and every partner of the firm who is knowingly a party to such contravention shall be liable to a penalty which may extend to ten lakh rupees. | (2) Where the person contravening the provisions of sub-section (1) is a company or firm, then, without prejudice to any other proceedings which may be taken against the company or firm, every director, manager, secretary or other officer of the company and every partner of the firm, who is knowingly a party to such contravention shall be liable to a penalty which shall not be less than rupees one lakh, but may extend to rupees ten lakh. |  |  |
|  | **105C. Power to adjudicate.** —(1) For the purpose of adjudication under sub-section (2) of section 2CB, sub-section (4) of section 34B, sub-section (3) of section 40, sub-section (2) of section 41, sub- sections (4) and (5) of section 42, sub-sections (8) and (9) of section 42D, section 52F and section 105B, the Authority, shall appoint any officer not below the rank of a Joint Director or an equivalent officer to be an adjudicating officer for holding an inquiry in the prescribed manner after giving any person concerned a reasonable opportunity of being heard. | **105C. Power to adjudicate.** —(1) For the purpose of adjudication under sub-section (2) of section 2CB, sub-section (4) of section 34B, sub-section (3) of section 40, sub-section (2) of section 41, sub- sections (4) and (5) of section 42, ~~sub-sections (8) and (9) of section 42D,~~ section 52F, section 103A, section 105B and section 105BA, the Authority, shall appoint any officer not below the rank of a Joint Director or an equivalent officer to be an adjudicating officer for holding an inquiry in the prescribed manner after giving any person concerned a reasonable opportunity of being heard. |  |  |
|  | **106. Power of court to order restoration of property of insurer or compensation in certain cases.** —(12) This section shall apply in respect of a provident society as defined in Part III as it applies in respect of an insurer | Section 106(12) is omitted |  |  |
|  | **110F. Provisions applicable to State Government, etc.-**The provisions of Section 3, 3A, 27B, 28B, 33, 34, clause(a) of Section 34E; 34F, 40A, 40C, 44A, 64U to 64UM (both inclusive), 64V, 64VA, 64VB, 64VC, and 101A, 101C, 110D, 110G and 110-H shall, notwithstanding any exemption granted under Section 118, also apply, so far as may be, and in relation to the general insurance business carried on by a State Government or a Government Company as defined in Section 617 of the Companies Act, 1956 (1 of 1956). | **110F. Provisions applicable to State Government, etc.-**Irrespective of any exemption granted under section 118, the provisions of sections 3, 3A, ~~27B, 28B,~~ 33, 34, clause (a) of sections 34E, 34F, ~~40A,~~ 40C, 44A, ~~64U to~~ 64UM ~~(both inclusive)~~, 64V, 64VA, 64VB, 64VC, 101A, 101C and 110D, ~~110G and 110-H~~ shall also apply, so far as may be, to and in relation to the general insurance business carried on by a State Government or a Government company as defined sub section (45) of section 2 of the Companies Act, 2013. |  |  |
|  | **114. Power of Central Government to make rules. —**(2) In particular and without prejudice to the generality of the foregoing power, such rules may prescribe—(aaa) the conditions and manner of foreign investment under sub-clause (b) of clause (7A) of section 2; | **114. Power of Central Government to make rules. —**(2) In particular and without prejudice to the generality of the foregoing power, such rules may prescribe—(aaa) the conditions ~~and manner~~ of foreign investment under sub-section (2) of section 3AA; |  |  |
| (d) the form referred to in clause (d) of sub-section (2) of section 16 | ~~(d) the form referred to in clause (d) of sub-section (2) of section 16~~ |  |  |
| (h) the contingencies other than those specified in clauses (a) to (f) of sub-section (2) of section 65 on the happening of which money may be paid by provident societies; | ~~(h) the contingencies other than those specified in clauses (a) to (f) of sub-section (2) of section 65 on the happening of which money may be paid by provident societies;~~ |  |  |
| (i) the matters other than those specified in clauses (a) to (o) of sub-section (1) of section 74 on which a provident society shall make rules; | ~~(i) the matters other than those specified in clauses (a) to (o) of sub-section (1) of section 74 on which a provident society shall make rules;~~ |  |  |
| (j) the form of any account, return or registered required by the Part III and the manner in which such account, return or register shall be verified; | ~~(j) the form of any account, return or registered required by the Part III and the manner in which such account, return or register shall be verified;~~ |  |  |
| (l) the conditions and the matters which may be prescribed under sub-sections (5), (6), (10) and (12) of section 92 | ~~(l)the conditions and the matters which may be prescribed under sub-sections (5), (6), (10) and (12) of section 92~~ |  |  |
| [(4)] All rules made by a Local Government under the provisions of section 24 of the Provident Insurance Societies Act, 1912 (5 of 1912) and in force at the commencement of this Act shall so far as not inconsistent with the provisions of Part III continue in force and have effect as if duly made under this section until they are replaced by rules made under this section | ~~[(4)] All rules made by a Local Government under the provisions of section 24 of the Provident Insurance Societies Act, 1912 (5 of 1912) and in force at the commencement of this Act shall so far as not inconsistent with the provisions of Part III continue in force and have effect as if duly made under this section until they are replaced by rules made under this section~~ |  |  |
|  | **114A. Power of Authority to make regulations.—**(1) The Authority may, by notification in the Official Gazette, make regulations consistent with this Act and the rules made thereunder, to carry out the purposes of this Act. | **114A. Power of Authority to make regulations.—**(1) The Authority may, in consultation with the Central Government and the Insurance Advisory Committee and subject to prior publication, by notification, ~~in the Official Gazette~~, make regulations consistent with this Act and the rules made thereunder, to carry out the purposes of this Act. |  |  |
| (2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely: — | (2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely: — |  |  |
| (daa) determination of preliminary expenses that may be excluded for calculation of the stipulated paid-up equity capital for the insurers under sub-section (1) of section 6; | (daa) determination of paid-up equity capital for specified class or classes of insurance business and determination of preliminary expenses that may be excluded for calculation of the stipulated paid-up equity capital for the insurers under sub-section (1) of section 6; |  |  |
| (ea) separation of account of all receipts and payments in respect of each classes and sub-classes of insurance business as required under sub-section (1) and sub-section (2AA) of section 10; and its waiver under the said section; | (ea) the manner of separation of accounts of all receipts and payments in respect of each class or sub-class of insurance business ~~as required~~ under sub-section (1) and sub-section (2AA) of section 10 ~~and its waiver under the said section~~; |  |  |
| (f) the preparation of balance-sheet, profit and loss account and a separate account of receipts and payments and revenue account under sub-section (1) of section 11; | (f) the preparation of balance-sheet, profit and loss account and a separate account of receipts and payments and revenue account and other financial statements under sub-section (1) of section 11; |  |  |
| - | (fa) the eligibility criteria and other conditions for an actuary under sub-section (1) of section 13; |  |  |
| (g) the manner in which an abstract of the report of the actuary to be specified and the form and manner in which the statement referred to in section 13 shall be appended; | (g) the purpose for which and the manner in which ~~an abstract of~~ the report of the actuary to be ~~specified~~ submitted and the form and manner in which the statement ~~referred to in section~~ shall be appended under section 13; |  |  |
| - | (gc) the form and manner for submission of returns to the Authority under section 15; |  |  |
| - | (ha) the manner of execution of instrument of Trust by the insurer under sub-section (5) of section 27; |  |  |
| (i) investment of assets and further provisions regarding investments by an insurer and investment by insurers in certain cases under sections 27, 27A, 27B, 27C and time, manner and other conditions of investment of assets under section 27D; | (i) the investment of assets by an insurer in a manner set out under section 27; |  |  |
| (ja) the form in which balance-sheets in respect of the insurance business of each of the insurers concerned and the manner in which actuarial reports and abstracts in respect of the life insurance business are to be prepared under clauses (b) and (c) of sub-section (3) of section 35; | (ja) the form in which balance-sheets in respect of the insurance business of each of the insurers concerned and the manner in which actuarial reports and abstracts in respect of the ~~life~~ insurance business are to be prepared under clauses (b) and (c) of sub-section (3) of section 35; |  |  |
| (q) the manner and the fees for issue of a licence to an intermediary or an insurance intermediary under sub-section (1) of section 42D; | (q) the form and manner of making application for registration, the documents to be accompanied and the fee payable under sub-section (3) of section 42D; |  |  |
| - | (qa) any other default subject to which the registration may be suspended or cancelled under clause (viii) of sub-section (6) of section 42D; |  |  |
| (r) the fee and the additional fee to be determined for renewal of licence of intermediaries or insurance intermediaries under sub-section (3) of section 42D; | (r) the annual fee in relation to registration under sub-section (4A) of section 42D and the procedure for suspension or cancellation of registration under the said sub-section; |  |  |
| (v) the fee for issue of duplicate licence under sub-section (7) of section 42D; | (v) the fee for issue of duplicate certificate of registration under sub-section (8) of section 42D; |  |  |
| - | (vba) the period, extent and conditions under which certain insurers may be exempted by Authority under sub-section (3) of section 48B; |  |  |
| - | (zbc) fee for inspection of the documents filed by an insurer with the Authority and obtaining a copy of said document or part thereof under section 119; |  |  |
|  | **115. Alteration of forms**The Authority may, on the application or with the consent of an insurer, not being a company, alter the forms contained in the Schedules as respects that insurer, for the purpose of adopting them to the circumstances of that insurer:Provided that nothing done under this section shall exempt the insurer from supplying all information required under this Act so far as it is possible for the insurer to do so. | Section 115 is omitted |  |  |
|  | **116. Power to exempt from certain requirements –**(1) The Central Government may, by notification in the Official Gazette, exempt any insurer constituted, incorporated or domiciled in any country or State outside India from any of the provisions of this Act which may be specified in the notification either absolutely or subject to such conditions or modification as may be specified in the notification. | **116. Power to exempt from certain requirements –**(1) The Central Government may, by order published in the Official Gazette and for the reasons to be recorded in writing, exempt any insurer constituted, incorporated or domiciled in any country or State outside India from any of the provisions of this Act which may be specified in the order either absolutely or subject to such conditions or modification as may be provided in such order.(2) The order to be issued under sub- section (1) shall be laid, as soon as after it is made, before each House of the Parliament. |  |  |
| (2) This section shall apply in respect of provident societies as defined in Part III as it applies in respect of insurers. | ~~(2) This section shall apply in respect of provident societies as defined in Part III as it applies in respect of insurers.~~ |  |  |
|  | **117. Saving of provisions of Indian Companies Act, 1913—**Nothing in this Act shall affect the liability of an insurer being a company or a provident society as defined in Part III being a company to comply with the provisions of the Companies Act, 2013 (18 of 2013) in matters not otherwise specifically provided for by this Act. | **117. Saving of provisions of Companies Act, 2013—**Save as otherwise provided, nothing in this Act shall affect the liability of an insurer being a company to comply with the provisions of the Companies Act, 2013. |  |  |
|  | **118. Exemptions—**Nothing in this Act shall apply—(a) to any trade union registered under the Indian Trade Unions Act, 1926 (16 of 1926); or(b) to any provident fund to which the provisions of the Provident Funds Act, 1925 (19 of 1925), apply; or(c) If the Central Government so orders in any case, and to such extent or subject to such conditions or modifications as may be specified in the order, to any insurance business carried on by the Central Government or a State Government or a Government company as defined in Section 617 of the Companies Act, 1956 (1 of 1956); | **118. Exemptions—**No change in (a)No change in (b)(c) If the Central Government so orders in any case, and to such extent or subject to such conditions or modifications as may be specified in the order, to any insurance business carried on by the Central Government or a State Government or a Government company as defined in sub section (45) of section 2 of Companies Act, 2013; |  |  |
| (d) if the Authority so orders in any case, and to such extent or subject to such conditions or modifications as may be specified in the order, to—(i) any approved superannuation fund as defined in clause (a) of section 58N of the Indian Income Tax Act, 1922 (11 of 1922); or(ii) any fund in existence and officially recognised by the Central Government before the 27th day of January, 1937, maintained by or on behalf of Government Servants or Government pensioners for the mutual benefit of contributors to the fund and of their dependants; or(iii) any mutual or provident insurance society composed wholly of Government servants or of railway servants which has been exempted from any or all of the provisions of the Provident Insurance Societies Act, 1912 (5 of 1912). | (d) If the Authority so orders in any case, and to such extent or subject to such conditions or modification as may be specified in the order, to(i) any approved superannuation fund as defined in sub section (6) of section 2 of the Income Tax Act, 1961;(ii) any fund in existence and officially recognized by the Central Government before the 27th day of January, 1937, maintained by or on behalf of Government Servants or Government pensioners for the mutual benefit of contributors to the fund and of their dependants; ~~or~~omitted |  |  |
|  | **119. Inspection and supply of copies of published prospectus, etc.—**Any person may on payment of a fee of five rupees inspect the documents filed by an insurer with the Authority under clause (f) of sub‑section (2) of Section 3, and may obtain a copy of any such document or part thereof on payment in advance at the prescribed rate for the making of the copy. | **119. Inspection and supply of copies of published prospectus, etc.—**Any person may, on payment of such fees as may be specified by the regulations,-(i) inspect the documents filed by an insurer with the Authority under ~~clause (f) of~~ sub-section (2) of Section 3, and(ii) obtain a copy of any such document or part thereof o~~n payment in advance at the prescribed rate~~ for ~~the~~ making of the copy. |  |  |
|  | **120. Determination of market value of securities deposited under this Act**The market value of the day of deposit of securities deposited in pursuance of any of the provisions of this Act with the Reserve Bank of India shall be determined by the Reserve Bank of India of India whose decision shall be final. | Section 120 is omitted |  |  |
|  | **\_**  | **Deletion of redundant references:****Sec 64M –** (1)… advise the Authority in fixing under ~~the proviso to sub-section (1) of~~ section 40 C the limits by which the actual expenses of management incurred ….**Sec 110B -** …by any person subordinate to him ~~or by any officer authorised by him under sub-section (1) of section 42~~ shall be deemed to be properly signed…**Sec 116A -** … referred to in sub-section (1) of section 28 ~~or section 28A or section 28B~~ or the statements referred to …. |  |  |
|  | **-** | **Section 2A of the Insurance Amendment Bill, 2024**Throughout the Insurance Act, 1938 (hereafter in this Chapter referred to as the principal Act), for the words “he or him or his”, wherever they occur, the words “she or her or them or their or they” shall be substituted, as the case maybe. |  |  |

**Life Insurance Corporation Act, 1956**

| **S. No.** | **Existing sections of the Life Insurance Corporation Act, 1956** | **Amendments proposed by DFS** | **Comments/Suggestions from General Public** |
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| **Suggested amendment** | **Justification** |
|  | **18.** **Offices, branches and agencies. —** (2) The Corporation shall establish a zonal office at each of the following places, namely, Bombay, Calcutta, Delhi, Kanpur and Madras, and, subject to the previous approval of the Central Government, may establish such other zonal offices as it thinks fit. | **18.** **Offices, branches and agencies. —** (2) The Corporation shall establish zonal offices at Mumbai, Kolkata, Delhi, Kanpur and Chennai, and may establish such other zonal offices as it deems fit. |  |  |
|  | **22.** **Zonal Managers —** (3) The Corporation shall constitute in the prescribed manner for each zonal office an Employees and Agents Relations Committee consisting of such number of persons as it thinks fit and every such Committee shall consist of representatives of the Corporation and of its employees and agents, so however, that the number of representatives of the employees and agents on the Committee shall not be less than the number of representatives of the Corporation and it shall be duty of the Committee to advise the Zonal Manager on matters which relate to the welfare of the employees and agents of the Corporation or which are likely to promote and secure amity and good relations between them and the Corporation. | **22.** **Zonal Managers —** (3) The Corporation shall constitute ~~in the prescribed manner~~ for each zonal office an Employees and Agents Relations Committee consisting of such number of persons as it thinks fit and every such Committee shall consist of representatives of the Corporation and of its employees and agents, so however, that the number of representatives of the employees and agents on the Committee shall not be less than the number of representatives of the Corporation and it shall be duty of the Committee to advise the Zonal Manager on matters which relate to the welfare of the employees and agents of the Corporation or which are likely to promote and secure amity and good relations between them and the Corporation. |  |  |
|  | **30A. Exclusive privilege of Corporation to cease.—**Notwithstanding anything contained in this Act, the exclusive privilege of carrying on life insurance business in India by the Corporation shall cease on and from the commencement of the Insurance Regulatory and Development Authority Act, 1999, and the Corporation shall, thereafter, carry on life insurance business in India in accordance with the provisions of the Insurance Act, 1938 (4 of 1938). | **30A. Exclusive privilege of Corporation to cease.—**Notwithstanding anything contained in this Act, the exclusive privilege of carrying on life insurance business in India by the Corporation shall cease on and from the commencement of the Insurance Regulatory and Development Authority Act, 1999, and the Corporation shall, thereafter, carry on life insurance business in India in accordance with the provisions of the Insurance Act, 1938 (4 of 1938), as applicable to the Corporation by virtue of Section 43 of the Life Insurance Corporation Act, 1956. |  |  |
|  | **48. Power to make rules.—** (h) the manner in which an Employees and Agents Relations Committee may be constituted for each zonal office; | **48. Power to make rules.—** ~~(h) the manner in which an Employees and Agents Relations Committee may be constituted for each zonal office;~~ |  |  |
|  | **24. Funds of the Corporation.—**(*1*) The Corporation shall have its own fund or funds, and all receipts of the Corporation shall be credited thereto and all payments of the Corporation shall be made therefrom:Provided that the Board may, in relation to any of the funds of the Corporation or otherwise, establish reserves which may or may not be allocated for a specific purpose, and such sums as the Board may determine, may be transferred to or from such reserves.  | Proposal to enable Central Government to exempt overseas branches of LIC.No change is suggested in sub-section (1). |  |  |
| (*2*) The Board shall, for every financial year after the financial year in which the provisions of section 136 of the Finance Act, 2021 come into force, cause to be maintained—(*a*) a participating policyholders fund, to which all receipts from participating policyholders shall be credited and from which all payments to such policyholders shall be made; and(*b*) a non-participating policyholders fund, to which all receipts from non-participating policyholders shall be credited and from which all payments to such policyholders shall be made:Provided that the members, by resolution in a general meeting, may exempt maintenance of such funds for one financial year at a time up to two financial years. | (*2*) The Board shall, for every financial year after the financial year in which the provisions of section 136 of the Finance Act, 2021 come into force, cause to be maintained—(*a*) a participating policyholders fund, to which all receipts from participating policyholders shall be credited and from which all payments to such policyholders shall be made; and(*b*) a non-participating policyholders fund, to which all receipts from non-participating policyholders shall be credited and from which all payments to such policyholders shall be made:Provided that the members, by resolution in a general meeting, may exempt maintenance of such funds for one financial year at a time up to two financial years.Provided that the Central Government may, by notification in the Official Gazette, exempt the application of this section to the overseas branches of the Corporation, with such exceptions, modifications and adaptations as may be specified in the notification. |  |  |
|  | **28. Surplus from life insurance business, how to be utilized.—** (3) The Corporation shall, with the approval of the Board, publish on its website its surplus distribution policy at least once in five years, or such shorter period not less than three years as the Board may deem fit, and such policy shall specify, among other things, the percentages referred to in sub-section (1). | **28. Surplus from life insurance business, how to be utilized.—** (3) The Corporation shall, with the approval of the Board, publish on its website its surplus distribution policy at least once in five years, or such shorter period not less than three years as the Board may deem fit, and such policy shall specify, among other things, the percentages referred to in sub-section (1).Provided that the Central Government may, by notification in the Official Gazette, exempt the application of this section to the overseas branches of the Corporation, with such exceptions, modifications and adaptations as may be specified in the notification. |  |  |
| 7.  | **43. Application of the Insurance Act**.—(1) The following sections of the Insurance Act shall, so far as may be, apply to the Corporation as they apply to any other insurer, namely:—Sections 2, 2B, 3, 18, 26, 33, 38, 39, 41, 45, 46, 47A, 50, 51, 52, 110A, 110B, 110C, 119, 121, 122 and 123. | **43. Application of the Insurance Act**.—(1) The following sections of the Insurance Act shall, so far as may be, apply to the Corporation as they apply to any other insurer, namely:—Sections 2, 2B, 3, 18, 26, 33, 38, 39, 41, 45, 46, ~~47A~~, 50, 51, 52, 110A, 110B, 110C, and 119, ~~121, 122 and 123~~. |  |  |
| (2) The Central Government shall as soon as may be after the commencement of this Act, by notification in the Official Gazette, direct that the following sections of the Insurance Act shall apply to the Corporation subject to such conditions and modifications as may be specified in the notification, namely:—Sections 2D, 10, 11, 13, 14, 15, 20, 21, 22, 23, 25, 27A, 28A, 35, 36, 37, 40, 40A, 40B, 43, 44, 102 to 106, 107 to 110, 111, 113, 114 and 116A. | (2) The Central Government shall as soon as may be after the commencement of this Act, by notification in the Official Gazette, direct that the following sections of the Insurance Act shall apply to the Corporation subject to such conditions and modifications as may be specified in the notification, namely:—Sections 2D, 10, 11, 13, 14, 15, 20, 21, 22, 23, 25, 27A~~, 28A~~, 35, 36, 37, 40, ~~40A,~~ 40B, 42, 43, ~~44,~~ 102 to 106, ~~107~~ 108 to 110, 111, 113, 114 and 116A. |  |  |
| (2A) Section 42 of the Insurance Act shall have effect in relation to the issue to any individual of a licence to act as an agent for the purpose of soliciting or procuring life insurance business for the Corporation as if the reference to an officer authorised by the 2[Authority] in this behalf in sub-section (1) thereof included a reference to an officer of the Corporation authorised by the Authority in this behalf. | Omitted |  |  |
| (3) The Central Government may, be notification in the Official Gazette, direct that all or any of the provision of the Insurance Act other than those specified in sub-section (1) or sub-section (2), shall apply to the Corporation subject to such conditions and modifications as may be specified in the notification. | (3) The Central Government may, be notification in the Official Gazette, direct that all or any of the provisions of the Insurance Act and the rules and regulations made thereunder other than those specified in sub-section (1) or sub-section (2), shall apply to the Corporation subject to such conditions and modifications as may be specified in the notification. |  |  |
| 8. | **\_**  | **Deletion of redundant references:****Sec 6A.** (2) Where any arrangement entered into by the Corporation under section 6 with any concern provides for the appointment by the Corporation of one or more directors of such concern, such provision and any appointment of directors made in pursuance thereof shall be valid and effective notwithstanding anything to the contrary contained in the Companies Act, 2013 (18 of 2013) ~~Companies Act, 1956 (1 of 1956)~~, or in any other law for the time being in force….**Sec 44.** …. ~~(b) any insurer to whom the Insurance Act does not apply by reason of the provisions contained in section 2E thereof;~~~~3[Provided that nothing contained in this clause shall apply on and from the date on which the provisions contained in section 2E of the Insurance Act, 1938 (4 of 1938) shall cease to operate.]~~ |  |  |
| 9. | - | **Section 76 of the Insurance Amendment Bill, 2024**Throughout the Life Insurance Corporation Act, 1956 (hereafter in this Chapter referred to as the Insurance Corporation Act), for the words “he or him or his”, wherever they occur, the words “she or her or them or their or they” shall be substituted, as the case maybe. |  |  |

**Insurance Regulatory and Development Authority Act, 1999**

| **S. No.** | **Existing sections of the Insurance Regulatory and Development Authority Act, 1999** | **Amendments proposed by DFS** | **Comments / Suggestions from General Public** |
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| **Suggested amendment** | **Justification** |
|  | **2. Definitions.—**(1) In this Act, unless the context otherwise requires,—(f) “intermediary” or “insurance intermediary” includes insurance brokers, re-insurance brokers, insurance consultants, corporate agents, third party administrator, surveyors and loss assessors and such other entities, as may be notified by the Authority from time to time | **2. Definitions.—**(1) In this Act, unless the context otherwise requires,—(f) “insurance intermediary” shall have the same meaning as assigned to it in clause (10B) of section 2 of the Insurance Act, 1938”. |  |  |
|  | **4. Composition of Authority.— (2)** The Authority shall consist of the following members, namely:-(a) a Chairperson;(b) not more than five whole-time members;(c) not more than four part-time members,to be appointed by the Central Government from amongst persons of ability, integrity and standing who have knowledge or experience in life insurance, general insurance, actuarial science, finance, economics, law, accountancy, administration or any other discipline which would, in the opinion of the Central Government, be useful to the Authority: | **4. Composition of Authority.— (2)**The Authority shall consist of the following members, namely:-(a) a Chairperson;(b) not more than five whole-time members;(c) not more than four part-time members,to be appointed by the Central Government from amongst persons of ability, integrity and standing who have knowledge or experience in life insurance, general insurance, actuarial science, finance, economics, law, accountancy, information technology, administration or any other discipline which would, in the opinion of the Central Government, be useful to the Authority: |  |  |
|  | **5.** **Tenure of office of Chairperson and other members.—** (1) The Chairperson and every other whole-time member shall hold office for a term of five years from the date on which he enters upon his office and shall be eligible for reappointment:Provided that no person shall hold office as a Chairperson after he has attained the age of sixty-five years:Provided further that no person shall hold office as a whole-time member after he has attained the age of sixty-two years. | **5.** **Tenure of office of Chairperson and other members.—** (1) The term of office of the Chairperson and other whole-time members shall be five years from the date on which such person enters upon office or till they attain the age of sixty-five years, whichever is earlier, and they shall be eligible for reappointment.~~Provided that no person shall hold office as a Chairperson after he has attained the age of sixty-five years:~~~~Provided further that no person shall hold office as a whole-time member after he has attained the age of sixty-two years.~~ |  |  |
|  | **8.** **Bar on future employment of members.—**The Chairperson and the whole-time members shall not, for a period of two years from the date on which they cease to hold office as such, except with the previous approval of the Central Government, accept -(a) any employment either under the Central Government or under any State Government; or(b) any appointment in any company in the insurance sector. | **8.** **Bar on future employment of members.—**The Chairperson and the whole-time members shall not, for a period of ~~two years~~ one year from the date on which they cease to hold office as such, except with the previous approval of the Central Government, accept -(a) any employment either under the Central Government or under any State Government; or(b) any appointment in any company in the insurance sector. |  |  |
|  | **14.** **Duties, Powers and Functions of Authority**.--(1) Subject to the provisions of this Act and any other law for the time being in force, the Authority shall have the duty to regulate, promote and ensure orderly growth of the insurance business and re-insurance business. | **14.** **Duties, Powers and Functions of Authority**.--(1) Subject to the provisions of this Act and any other law for the time being in force, the Authority shall have the duty to regulate, promote and ensure orderly growth of the insurance business and re-insurance business. |  |  |
| (2) Without prejudice to the generality of the provisions contained in sub-section (1), the powers and functions of the Authority shall include, -[...]* 1. control and regulation of the rates, advantages, terms and conditions that may be offered by insurers in respect of general insurance business not so controlled and regulated by the Tariff Advisory Committee under section 64U of the Insurance Act, 1938 (4 of 1938);

(n) supervising the functioning of the Tariff Advisory Committee; (q) exercising such other powers as may be prescribed. | (2) Without prejudice to the generality of the provisions contained in sub-section (1), the powers and functions of the Authority shall include, -[...](i) control and regulation of the rates, advantages, terms and conditions that may be offered by insurers in respect of general insurance business ~~not so controlled and regulated by the Tariff Advisory Committee under section 64U of the Insurance Act, 1938 (4 of 1938)~~;(n) ~~supervising the functioning of the Tariff Advisory Committee;~~ impose such penalties for violation of this Act or rules or regulations made hereunder, as prescribed under Insurance Act, 1938 or rules or regulations made thereunder;(q) exercising such other powers as may be prescribed. |  |  |
|  | **23. Delegation of Powers**.-- (1) The Authority may, by general or special order in writing, delegate to the Chairperson or any other member or office of the Authority subject to such conditions, if any, as may be specified in the order such of its powers and functions under this Act as it may deem necessary. | **23. Delegation of Powers**.-- (1) The Authority may, for the efficient discharge of its functions under this Act, by a general or special order in writing, delegate to the Chairperson or any other member or any officer of it, subject to such conditions or restrictions, if any, as may be specified in the order, such of its powers and functions under this Act, except the power to make regulations and the power to register an insurer, as it may deem necessary or expedient.”. |  |  |
|  | **26.** **Power to make regulations.—** (1) The Authority may, in consultation with the Insurance Advisory Committee, by notification, make regulations consistent with this Act and the rules made thereunder to carry out the purposes of this Act. | **26. Power to make regulations.—** (1) The Authority may, in consultation with the Central Government and the Insurance Advisory Committee and subject to prior publication, by notification, make regulations consistent with this Act and the rules made thereunder to carry out the purposes of this Act. |  |  |
| 8. | **-** | **Section 87 of the Insurance Amendment Bill, 2024**Throughout the Insurance Regulatory and Development Authority Act, 1999 (hereafter in this Chapter referred to as the Insurance Authority Act), for the words “he or him or his”, wherever they occur, the words “she or her or them or their or they” shall be substituted, as the case maybe. |  |  |