

Date: 17.06.2026

1. Executive Summary

The Insurance Regulatory and Development Authority of India (IRDAI) proposes to issue the IRDAI (Procedure for Making Regulations and Subsidiary Instructions) Regulations, 2026 (“herein after referred to as ‘ The proposed Regulations”) in light of the framework introduced under the Sabka Bima Sabki Raksha (Amendment of Insurance Laws) Act, 2025 (“herein after referred to as SBSR Act”).

The SBSR Act has introduced provisions relating to the public consultation and periodic review of Regulations to bring transparency in regulation making. Further, SBSR Act provides the manner of issuance of subsidiary instructions by consulting the consultative committees. The proposed Regulations seek to operationalize these statutory provisions and establish a structured, and consultative framework for making, amendment and review of regulations, and subsidiary instructions.

The proposed Regulations are intended to align with the revised provisions of the Insurance Act 1938 and IRDA Act, 1999.

The proposed Regulations, inter alia, provide for:

- Principles governing regulation making;
- Public consultation framework for draft regulations;
- Economic analysis of proposed regulations;
- Consultation with the Insurance Advisory Committee;
- Additional stakeholder consultation mechanisms;
- Framework governing issuance of subsidiary instructions;
- Constitution and functioning of Consultative Committees;
- Periodic review of regulations and subsidiary instructions;
- Procedure for amendment of regulations and subsidiary instructions; and
- Framework for urgent regulations and urgent subsidiary instructions;

2. Existing Regulatory Framework and Legislative Changes under the SBSR Act, 2025.

The Insurance Act, 1938 and the IRDA Act, 1999 empower the Authority to frame regulations for carrying out the purposes of the respective statute. The SBSR Act, 2025 has introduced a statutory framework relating to regulation-making and issuance of subsidiary instructions including provisions for:

- Framing of regulations through a consultative process;
- Publication of draft regulations and invitation of public comments;
- Issuance of subsidiary instructions for procedural and clarificatory matters;
- Constitution of consultative committees; and

- Periodic review of regulations.

Accordingly, it is considered necessary to introduce a regulatory framework to operationalise these provisions and standardise the process of making, amendment and review of regulations and issuance of subsidiary instructions. The proposed Regulations intend to codify the principles of stakeholder engagement, public consultation and publication of draft exposures which have hitherto been followed as established regulatory practices to create a structured framework for the same.

3. Key Features of the Proposed Regulations:

3.1 Principles of Regulation Making

The proposed Regulations prescribe broad principles that may be considered while framing regulations.

3.2 Public Consultation Framework

The proposed Regulations provide for a transparent public consultation framework requiring publication of draft regulations to enhance stakeholder participation.

3.3 Framework for Economic Analysis

The proposed Regulations empower the Authority to undertake economic analysis of proposed regulations, including assessment of costs and benefits proportionate with the Authority's statutory objectives.

3.4 Consultation with Insurance Advisory Committee:

The proposed Regulations provide consultation with Insurance Advisory Committee in accordance with the provisions of the IRDA Act, 1999.

3.5 Additional Consultation Mechanism:

The proposed Regulations empower the Authority to establish additional consultation mechanisms to add domain expertise to examine the regulatory proposals.

3.6 Framework for Subsidiary Instructions:

The SBSR Act recognises subsidiary instructions as a distinct regulatory instrument. The proposed Regulations specify the scope and nature of subsidiary instructions that may be issued for:

- Clarification of ambiguities in regulations; and
- Procedural matters ancillary to regulations.

3.7 Constitution of Consultative Committees:

For the purpose of Sections 114B and 114C of the Insurance Act, the Proposed Regulations provide for constitution of Consultative Committees to provide recommendations on matters relating to subsidiary instructions and such other matters as may be referred by IRDAI.

3.8 Amendment and Review Framework:

The proposed Regulations require amendments to regulations and subsidiary instructions to generally follow the same procedural framework as provided for their issuance. It also provides for periodic review of regulations and subsidiary instructions issued thereunder.

3.9 Urgent Regulations and Subsidiary Instructions:

Limited exceptions are proposed to enable:

- Urgent regulations in public interest and internal functioning of IRDAI; and
- Urgent subsidiary instructions in exceptional circumstances.

The framework requires recording of reasons for such action, thereby balancing regulatory responses to certain exigencies with accountability.

4. Protection of Policyholder Interests:

The Proposed Regulations provides to prioritise policyholder protection through consultative mechanism in regulation making:

- Public consultation prior to issuance of regulation;
- Consideration of stakeholder feedback;
- Independent expert participation in consultative committees; • Economic analysis of proposals, where considered necessary;
- Periodic review of regulatory effectiveness.

The proposed framework seeks to balance accountability with protection of policyholder interests.

- 5. Stakeholder Feedback:** The Authority invites comments from stakeholders on the proposed amendments. Exposure draft of the Regulation is as per [Annexure 1](#). Stakeholders may submit their comments on the Exposure Draft in the format specified in [Annexure 2](#). Feedback may be submitted to Ms. Anjaly Jolly at anjaly.jolly@irdai.gov.in and Mr. Aaryaveer Chauhan at aaryaveer.chauhan@irdai.gov.in on or before 8th July, 2026.

This Consultation Paper is issued for public and industry comments.

**EXPOSURE DRAFT INSURANCE REGULATORY AND DEVELOPMENT
AUTHORITY OF INDIA (PROCEDURE FOR MAKING REGULATIONS AND
SUBSIDIARY INSTRUCTIONS) REGULATIONS, 2026**

In exercise of the powers conferred by clause (zd), (zca) and (zcb) of sub section (2) of Section 114A of the Insurance Act, 1938 and section 14 and section 26 of Insurance Regulatory and Development Authority Act, 1999, the Authority, in consultation with the Insurance Advisory Committee, hereby makes the following regulations, namely, -

CHAPTER I PRELIMINARY

1. Short title and commencement

- (1) These regulations may be called the Insurance Regulatory and Development Authority of India (Procedure for making Regulations and Subsidiary Instructions) Regulations, 2026.
- (2) These regulations shall come into force on the date of their publication in the Official Gazette.
- (3) These Regulations shall be reviewed once every three years from the date of publication, unless a review, repeal or amendment is warranted earlier.

2. Objective

To lay down the framework for making regulations and issuing subsidiary instructions. The framework seeks to standardize the process of making Regulations in a transparent and consultative manner.

3. Definitions

- (1) In these regulations, unless the context otherwise requires, -
 - (a) 'Act' means the Insurance Act, 1938 (4 of 1938);
 - (b) "Authority" means the Insurance Regulatory and Development Authority of India established under sub-section (1) of section 3 of the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999);
 - (c) 'Consultative Committee' means the Committee constituted by the Authority under Section 114C of the Act.

- (d) 'public comments' means the feedback, suggestions, observations or objections received on the proposed regulations or amendment to regulations from any person including stakeholders, associations or organizations.
- (e) 'Regulations' means the regulations framed by the Authority under section 114A of the Act or Section 26 of the IRDA Act, 1999.
- (f) 'Subsidiary Instructions' mean the instructions issued under section 114B of the Act.

(2) All words and expressions used herein and not defined in these regulations but defined in the Insurance Act, 1938 (4 of 1938) or the Insurance Regulatory and Development Authority Act, 1999 (41 of 1999) or any Rules or Regulations made thereunder shall have the meanings respectively assigned to them in those Acts or Rules or Regulations.

CHAPTER II MAKING OF REGULATIONS

4. Making of regulations

The Authority may make regulations as are necessary to carry out the purposes of the Act and the Insurance Regulatory and Development Authority Act, 1999.

5. Principles of Regulations

The Authority shall inter alia take into consideration the following principles while making of regulations:

- a. protection of the interests of holders of insurance policies;
- b. ensuring orderly growth of the insurance industry;
- c. improving the quality of insurance services and the trust in the sector;
- d. transparency, proportionality and accountability in regulation making;
- e. ease of doing business and rationalisation of compliances;
- f. leveraging technology for regulatory efficiency;
- g. adopting best practices.

6. Procedure for Public Consultation for framing of Regulations

(1) Before issuance of a Regulation, the draft Regulations shall be published along with a statement of particulars on the website inviting public comments.

- (2) The statement of particulars shall, *inter alia*, include:
- a. the enabling statutory provision(s) that empower the Authority to make such Regulations;
 - b. a statement of the regulatory intent and objectives of the proposed regulations;
 - c. a statement on global best practices, if any; and
 - d. The manner and timelines for receiving comments from the public.

(3) The Authority shall provide at least 21 days for receiving public comments.

(4) The Authority shall consider the public comments received and publish a general statement of its response to the public comments on its website not later than the date of notification of regulations.

Provided that if the Authority considers to approve the Regulations in a form substantially different from the proposed draft that was issued for public comments, other than changes made in consideration of comments received by it, it shall repeat the process under this Regulation.

(6) On approval of the Authority, the regulation shall come into force from the date of its publication in the Official Gazette unless a different date is specified therein.

7. Economic analysis

(1) The Authority may carry out economic analysis of the proposed regulations, which shall include the following:

- (a) expected costs and benefits to the policyholders, stakeholders and economy due to the proposed regulation;
- (b) how the proposed regulation further strengthens the objectives of the Authority.

8. Consultation with Insurance Advisory Committee

In addition to the above public consultation, the draft regulations shall also be placed before the Insurance Advisory Committee for consultation in accordance with Section 26 of Insurance Regulatory and Development Authority Act, 1999.

9. Additional Consultation Mechanism and Constitution of Committee(s)

(1) Without prejudice to provisions of these regulations, the Authority may provide for additional mechanism(s) for engaging with stakeholder(s), as deemed necessary.

(2) The Authority may constitute regulation advisory committee(s) or advisory group on regulations or consult external experts as it may consider appropriate, for providing recommendations on the proposed regulations or amendments to the regulations.

(3) Authority shall ensure absence of any conflict of interest, which could influence performance of the duties and responsibilities of the members of such committee(s) and advisory group.

(3) The mandate and other terms of reference of the regulation advisory committee(s) and advisory group on regulations shall be as decided by the Authority.

CHAPTER III SUBSIDIARY INSTRUCTIONS

10. Scope and nature of subsidiary instructions

(1) The Authority may issue Subsidiary Instructions for the purposes specified in sub section (1) of section 114B of the Act, namely—

(a) clarifying the ambiguity of any regulation, if any; and

(b) laying down any procedural requirement ancillary to any regulation:

(2) Subsidiary instructions shall not—

(a) create any substantive rights or obligations;

(b) amend, override, or be inconsistent with any regulation or rules or provision of the Act or Insurance Regulatory and Development Authority Act, 1999.

11. Persons competent to issue subsidiary instructions

(1) Subsidiary instructions may be issued by—

(a) the Chairperson; or

(b) one or more whole-time Members authorised by the Chairperson; or

(c) jointly by the Chairperson and one or more whole-time Members.

(2) Every subsidiary instruction shall expressly mention—

(a) the regulation to which it relates; and

(b) the specific purpose under sub section (1) of section 114B.

12. Procedure for issuing subsidiary instructions

- (1) Before issuing any subsidiary instruction, the Authority shall consult Consultative Committee constituted under these regulations.
- (2) The Authority may consult Insurance Councils, associations or organisations of insurance intermediaries, agents and other stakeholders before issuing any Subsidiary Instruction.

13. Constitution of Consultative Committee(s)

- (1) The Authority shall constitute one or more Consultative Committees for the purposes of section 114B and section 114C of the Act.
- (2) Each Consultative Committee shall consist of the following members—
 - (a) Independent external experts, one of whom shall be appointed as the Chair;
 - (b) representatives of insurers or intermediaries or policyholders as may be determined by the Authority; and
 - (c) officers of the Authority.
- (3) The independent external experts shall be nominated on the basis of the following:
 - (a) A person of eminence with knowledge and experience in the field of insurance, economics, finance, law, information technology or any other field considered relevant for the insurance sector; and
 - (b) Absence of any conflict of interest, which could influence performance of their duties and responsibilities at the time of nomination and also during the tenure of the Consultative Committee.
- (4) The term of office of members, procedure of conducting meetings including quorum and other terms of reference shall be as decided by the Authority.
- (5) If a vacancy arises in the Consultative Committee, the Authority may nominate another member to hold office,

14. Functions of Consultative Committee

- (1) The Consultative Committee shall advise the Authority on—
 - (a) matters relating to the making of the subsidiary instructions under section 114B;
and
 - (b) any other issue as may be determined by the Authority.
- (2) The advice of the Consultative Committee shall be recommendatory in nature and shall not be binding on the Authority.

15. Publication and Commencement

- (1) All subsidiary instructions issued shall be published on the website of the Authority;
and
- (2) Subsidiary instructions shall come into effect from the date specified therein.

CHAPTER IV AMENDMENT AND REVIEW

16. Amendment of Regulations and Subsidiary Instructions

- (1) An amendment to existing regulation shall follow the same procedure as specified in Chapter II.
- (2) An amendment to existing Subsidiary Instructions shall follow the same procedure as specified in Chapter III.

17. Review of Regulations

- (1) The Authority shall periodically undertake a review of the Regulations in force including the Subsidiary Instructions issued thereunder, keeping in view the following:
 - (a) whether the stated objective(s) vis a vis the interest of policyholders and the growth of the insurance industry have been achieved;
 - (b) Regulatory Impact of the regulations, wherever feasible.
 - (b) experience gained through supervision and enforcement actions;
 - (c) experience of its implementation;
 - (d) relevant orders passed by courts or tribunals;
 - (e) global best practices, if any;
 - (f) relevance and needs of a changed environment;

- (g) the scope for reducing redundancies;
- (h) promoting ease of doing business and
- (i) any other factor considered relevant by the Authority.

(2) Authority may constitute a regulation review committee as it may consider appropriate, for review of the regulations. The Committee may include external experts as required.

(3) The terms of reference of the regulation review committee shall be as decided by the Authority.

CHAPTER V MISCELLANEOUS

18. Urgent Regulations and Subsidiary Instructions:

(1) Where the Authority is of the opinion that certain regulations are required to be made or existing regulations are required to be amended urgently in public interest or the subject matter of the regulation relates solely to internal functioning of the Authority, it may dispense with the condition of publishing draft regulations and record the reasons for doing so.

(2) Where certain subsidiary instructions are required to be made urgently, Authority may do so, without consulting the Consultative Committee after recording the reasons thereof.

19. Savings:

(1) Regulations which are in force as on the date of coming into force of these regulations shall remain valid unless amended or repealed.

(2) No regulation issued prior to the commencement of these regulations, or any action taken under the said regulations, shall be invalid merely by reason of nonadherence of the procedure specified in these regulations.

Feedback Format

A. Stakeholder Information	
Name of the Organization / Individual	<hr/>
Type of Stakeholder (Policyholder/Insurer/Insurance Intermediaries/Public / Others – please specify)	<hr/>

B. Suggestions on Exposure draft on Insurance Regulatory and Development Authority of India (Procedure for Making Regulations and Subsidiary Instructions) Regulations, 2026				
Page No	Regulation Number	Sub-Regulation Number / Para Number	Suggested change	Reasons for change

