

# Info Capsule

June 3, 2019



THE INSTITUTE OF  
Company Secretaries of India

भारतीय कम्पनी सचिव संस्थान

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## 1. Exposure draft on IRDAI (Regulatory Sandbox) Regulations, 2019

The IRDAI proposes to create a Regulatory Sandbox whose objective is to foster growth and increase the pace of the most innovative companies, in a way that provides Insurtech in particular and the Fintech sector as a whole with flexibility in dealing with regulatory requirements and at the same time focussing on policyholder protection.

The objectives of these Regulations are:

- i. To strike a balance between orderly development of Insurance sector on one hand and protection of interests of policyholders on the other, while at the same time facilitating technological innovation.
- ii. To facilitate creation of regulatory sandbox environment and if deemed fit to relax such provisions of any Regulations framed by the Authority in this regard.

The Regulatory sandbox regulation defines a) an applicant (insurer or insurance intermediary or a person other than individual having a networth of Rs 10 lakhs and a standing of one financial year), b) regulatory sandbox and c) the sandbox environment.

The Regulations also lays down the procedure for seeking permission for promoting innovation in insurance in India which includes i) the categories of application (insurance solicitation & distribution, insurance products, underwriting, policy and claims servicing); ii) the details of filing of application (cohort approach); iii) the conditions for grant of permission; iv) the period of permission 6 months); v) the conditions for revocation of permission; vi) the extension of period of permission (6 months); vii) internal monitoring, review and evaluation of systems and controls; viii) review of proposal approved by the Authority; and ix) conclusion of proposal.

The draft regulations are placed for comments, which may be sent on or before 9<sup>th</sup> June, 2019 to at [randip@irda.gov.in](mailto:randip@irda.gov.in)

The draft regulations are available at:  
<https://www.irdai.gov.in/admincms/cms/whatsNew/Layout.aspx?page=PageNo3811&flag=1>