

Circular on Public Disclosures by Insurers

1. Background:

- i. The Authority had issued circulars ref: IRDA/F&I/CIR/F&A/012/01/2010 dt. 28.01.2010 and IRDA/F&I/CIR/PBDIS/105/05/2011 dt. 27.5.2011 on “Public Disclosures by Insurers”. Guidelines on Periodic Disclosures were also issued by the Authority on 9.4.2010 and vide circular ref: IRDA/CAD/CIR/245/11/2012 dt. 20.11.2012.
- ii. As per the directions of the Authority, public disclosures of financial and other information are to be made by the insurers in newspapers and their respective websites on a periodical basis as per the formats specified.
- iii. The Authority has been issuing Regulations, Guidelines and Circulars and specifying the formats for various reporting requirements. There have been changes in some reporting formats since the instructions were first issued on Public Disclosures. Thus, there was a felt need that the formats prescribed under Public Disclosures are aligned with the present reporting formats specified by the Authority under various Regulations / Guidelines / Circulars to enhance the disclosures for comparison at industry level.
- iv. The IRDAI took up the process of reviewing and updating the formats and instructions on Public Disclosures. In the said process, feedbacks/comments were sought from insurance companies through the respective councils on the draft instructions and formats proposed.
- v. The existing public disclosure formats were updated/modified and revised instructions on “Public Disclosures by Insurers” were issued vide circular ref: IRDAI/F&A/CIR/MISC/256/09/2021 dt. 30.9.2021. The revised instructions shall come into effect from the financial year 2021-22 and the uploading of disclosures on website shall be on quarterly basis from the period ending 30th September, 2021 whereas publishing in Newspapers will be on half yearly basis from the period ending 30th September, 2021. The insurers are allowed to make the quarterly disclosures in the revised formats for the period ending 30th June, 2021 on voluntary basis on their websites.

2. Significant changes in the Public Disclosures:

- a. Disclosure of Embedded Value (EV) as a part of Annual Public Disclosure is mandated for listed life insurance companies. The EV should be published only after being vetted by an independent actuary. The disclosures include,
- i) Assumptions used;
 - ii) Relevant Actuarial / Professional guidance followed; and
 - iii) Analysis of changes / movement in EV relative to the last disclosure.
- b. Unlisted life insurance companies may disclose EV voluntarily as a part of Annual Public Disclosure and such voluntary disclosure made, if any, should be made along with disclosures mentioned at (i) to (iii) above.
- c. There were 42 formats for Life Insurers and 41 formats for Non-Life Insurers. Number of formats for Life and Non-Life Insurers now is 45 and 48 respectively. Following are the additional formats introduced:

Format for	Particulars
Life Insurers	1) Form L-43 – Voting activity disclosure
	2) Form L-44 – Embedded Value (Annual disclosure)
	3) Form L-45 - Offices and Other information
Non-Life Insurers (General Insurers, Health Insurers, Specialized Insurers and Reinsurers including Branches of Foreign Reinsurers)	1) NL-23 – Solvency Margin–GI–TA–Statement of Admissible Assets
	2) NL-38 – Development of Losses (Annual disclosure)
	3) NL-40 – Underwriting Performance
	4) NL-44 – Motor Third Party Obligation
	5) NL-46 – Voting activity disclosure
	6) NL-47 – Profile and Performance of Health Insurance, Personal Accident and Travel Insurance products (Annual disclosure)
	7) NL-48 – Disclosures on quantitative and qualitative parameters of Health services rendered (Annual disclosure)

3. The revised instructions on “Public Disclosures by Insurers” issued vide circular ref: IRDAI/F&A/CIR/MISC/256/09/2021 dt. 30.9.2021 are placed at Annexure-I.

Placed before the Board of the Authority for ratification.