LLOYD'S

Setting up a Service Company in India

31 October 2026

Disclaimer

This is for reference only and is not considered to be legal advice. Whilst all care has been taken to ensure the accuracy of the information, Lloyd's does not accept any responsibility for any errors or omissions. Lloyd's is not responsible or liable for any alleged damage arising from reliance upon the information provided. This is a guide to assist Managing Agents with the intention of setting up a Service Company in India.

Purpose of Guide

The purpose of this guide is to assist Managing Agents/Syndicates who have (or intend to) set up a Service Company in India to operate compliantly on the Lloyd's India Platform. The regulatory and compliance requirements set out in this guide are specific to the local requirements on a Lloyd's India Service Company. These entities will still be required to comply with all of Lloyd's usual requirements, including adherence to Lloyd's Principles of doing business.

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Introduction to Lloyd's Operation in Mumbai India

Introduction to Regulatory Framework

The insurance regulatory framework in India is overseen primarily by the **Insurance Regulatory and Development Authority of India (IRDAI)**, with the **International Financial Services Centres Authority (IFSCA)** also acting as a regulator for insurance and reinsurance entities operating from IFSCs. The governing legislation includes the **Insurance Act, 1938**, as amended from time to time, including the most recent amendments in 2025. Details of the laws, regulations, and regulatory requirements applicable to insurance operations in India are available on the respective regulator websites. **For the purposes of this guide, which relates to Lloyd's operations in the Domestic Tariff Area (DTA), references are limited to the regulatory framework administered by IRDAI.**

Lloyd's India operates within the framework of the Insurance Act, 1938 and the IRDAI (Registration and Operations of Foreign Reinsurers Branches and Lloyd's India) Regulations, 2024. These regulations empower the IRDAI to permit, supervise, and regulate foreign insurers, including Lloyd's, to carry on reinsurance business in India.

In addition, the IRDAI (Reinsurance) Regulations, 2018, as amended from time to time, and the IRDAI Master Circular on Reinsurance, 2024, govern the manner in which Lloyd's members conduct reinsurance business in India.

Definition of Indian Risk

An Indian risk is a risk that meets any of the following criteria:

- It is located in India; and/or
- It is insured under a policy issued in India; or
- It is required under Indian law to be insured with an insurer registered in India.

As a general principle, Indian risks must be insured with insurers that are registered in India. Placement of Indian risks with foreign insurers is restricted, except through permitted regulatory mechanisms, such as reinsurance arrangements or other IRDAI-approved cross-border placements.

The Platform

In 2015, the Indian Government opened up the **reinsurance** sector by allowing foreign reinsurance companies and Lloyd's to set up branches in India. The Government's aim of opening up the sector was to:

1. Maximise retention within India;
2. Develop reinsurance expertise within India;
3. Introduce best practices within the industry; and
4. Simplify the reinsurance administrative process

Following amendments to the Insurance Act 1938, the IRDAI issued the erstwhile IRDAI Lloyd's India Regulations, 2016, allowing Lloyd's to set up a reinsurance branch in India, and a platform to allow members of Lloyd's to underwrite reinsurance business in India. The Lloyd's India platform was established in 2017 to position Lloyd's for future growth. Managing agents at Lloyd's can either set up a service company or appoint a coverholder in India to underwrite reinsurance business on behalf of the members of the relevant syndicates at Lloyd's.

The aim of Lloyd's India is to support market participants on the platform, raise the profile of Lloyd's in India, highlight the growing opportunities in India to Lloyd's underwriters and to develop and implement an effective and efficient central service offering for those on the India platform.

Permitted Classes of Business

Service companies may underwrite reinsurance business across general, life, and health lines, including specialty classes such as property, marine, energy, liability, and other approved segments. They may also write additional classes permitted by the IRDAI, covering both Indian and offshore reinsurance business, subject to regulatory approval and compliance.

Restricted Classes of Business

Service companies are restricted to reinsurance business only and are not permitted to write direct insurance. Indian risks must be placed with domestic insurers first, with foreign participation allowed only through approved reinsurance mechanisms. They must not underwrite any class not approved by the IRDAI or Lloyd's and require prior approval before expanding into new lines of business or writing restricted classes governed by regulatory or policy constraints.

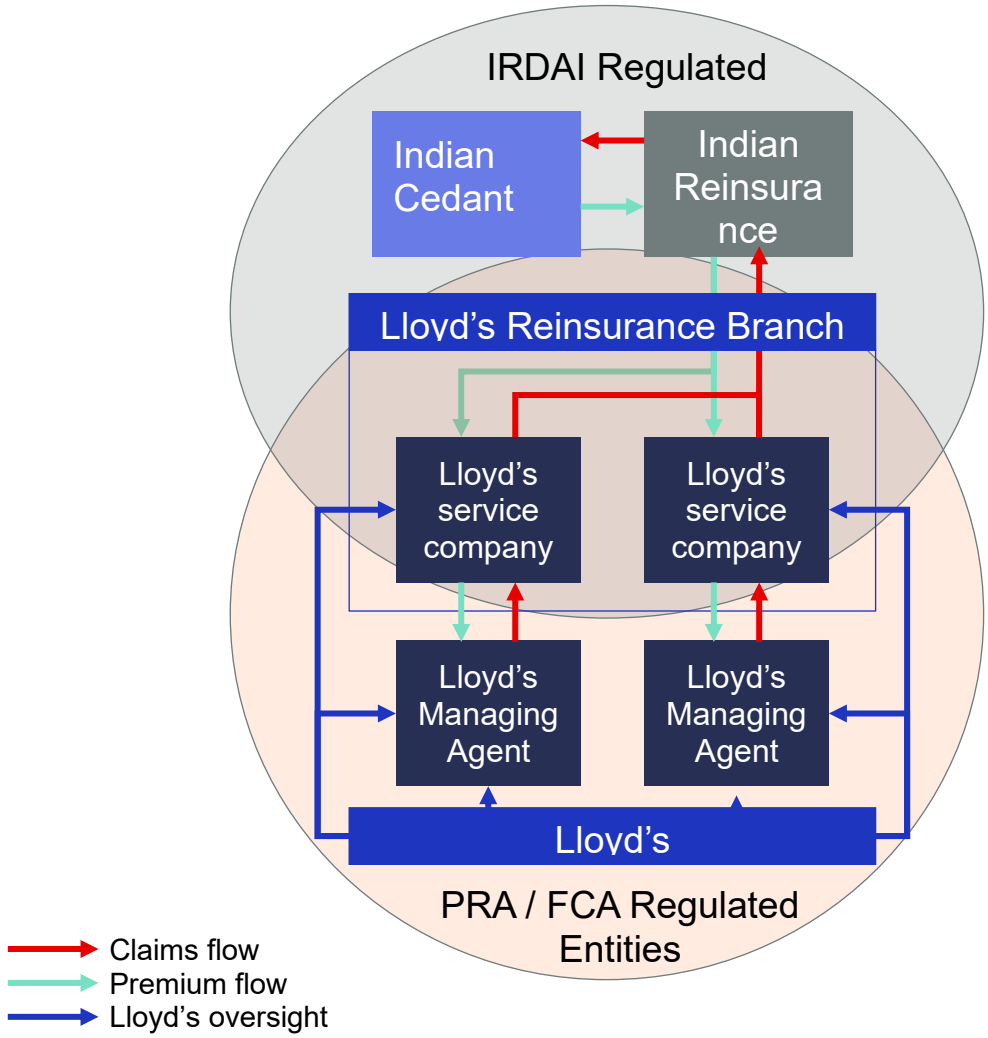
Benefits of Joining Lloyd's India

- **Proximity:** Underwriters in Lloyd's India have greater access to the local client base and Indian brokers given India's Order of Preference Regulation 5(2) of IRDAI (Re-insurance) Regulations, 2018 as explained below.
  This leads to a deeper understanding of the market and an increased ability to service business more efficiently.
- *Note on Order of Preference for Placement of Reinsurance Business:*
  In accordance with the IRDAI Reinsurance Regulations, as amended in 2023, insurers are required to place reinsurance business in a manner that supports the

development of domestic reinsurance capacity while ensuring adequate risk protection and competitive terms. Reinsurance placements should follow the prescribed order of preference, with consideration being given first to Indian Re-insurers, followed by Foreign Reinsurer Branches (FRBs) established in India and other eligible reinsurers operating from India, before approaching Cross Border Reinsurers (CBRs). The objective of this framework is to maximise retention within India, promote local market capacity, and ensure that policyholders' interests are protected through secure and efficient reinsurance arrangements. Exceptions may be made where the required capacity, expertise, or coverage terms are not available within the preferred categories, subject to compliance with the applicable IRDAI requirements.

- **No Broker Restriction:** Unlike Lloyd's underwriters in London, the IRDAI does not restrict local brokers dealing with Lloyd's India underwriters. Lloyd's India underwriters may also transact directly with clients (cedants) in addition to any broker, local or otherwise.
- **Broker Support:** Local brokers are very enthusiastic for more Lloyd's syndicates to join Lloyd's India, as it offers them the opportunity of obtaining Lloyd's capacity locally without the time delay and additional cost of going through London.
- **Excellent Infrastructure:** There is an existing legal and physical infrastructure to assist and provide ongoing support to market participants on the Lloyd's India platform. Lloyd's India takes responsibility for diverse areas including marketing, promoting, and protecting Lloyd's brand, management of the office premises, as well as providing a single interface with the IRDAI - ensuring the platform remains compliant with local requirements.
- **Marketplace:** The co-location of Lloyd's India and its service companies within the same office premises, plus the prominence of the common Lloyd's India brand, creates a marketplace in India, whilst also giving our service companies greater profile and access to business.

Structure of Lloyd's India



Application Process

Key Considerations for Becoming a Service Company in India

It is recommended that managing agents considering setting up in India, obtain appropriate legal and tax advice on the Indian regulatory requirement. A recommended list of legal and tax advisers with experience of the Lloyd's market structure and the applicable IRDAI regulations is set out in Section 4 of this Guide. These advisers are independent third parties and any advice or services obtained from them will be solely between the adviser and the recipient. Lloyd's does not endorse, guarantee, or accept responsibility for any advice, opinion, or services provided by such advisers.

A managing agent looking to establish a service company in India must engage with their SUP (Syndicate Underwriting Performance) Executive to discuss their proposal and concurrently engage with Lloyd's India Country Manager.

It will be requested to submit a pro-forma business plan to Lloyd's, ensuring a copy is shared with the Lloyd's India Country Manager. The plan should address the following:

- India strategy for a five-year period
- Lines of business
- Premium estimates
- Estimated loss ratios
- Distribution channels; and
- Any research carried out to identify the opportunity in India.

Following discussions with the managing agent and general agreement by Lloyd's on the proposed business plan, the managing agent is required to complete a service company application through Atlas (the online market system for managing service companies and coverholders) and simultaneously complete the IRDAI application. The Service Company Application (Form S-2), prescribed under the Master Circular on IRDAI (Registration and Operations of Foreign Reinsurers Branches & Lloyd's India) Regulations, 2024, can be provided by Lloyd's India upon request. The applications are then reviewed by the Delegated Authority Team (DAT) and the Lloyd's India team respectively, with feedback provided as appropriate.

Service Company Application

The service companies and the syndicates that they are acting on behalf of, are required to be registered with the IRDAI to operate under the single Lloyd's licence to underwrite reinsurance business in India.

The managing agent must meet with Lloyd's DAT to discuss the proposed Lloyd's India service company application. Service companies operating in India must comply with Lloyd's requirements outlined within the Service Company Code of Practice - and with the Lloyd's Principles of Doing Business. Every application requires a service company undertaking to be signed and uploaded onto Atlas.

Following completion of this process, the DAT team will issue an 'in principle' approval for setting up the service company in India. A copy of this approval letter including proof of payment of non-refundable application fee of INR 100,000 payable to IRDAI, along with applicable taxes must be attached to the IRDAI application.

Payment of Application fees, regulatory fees are to be remitted to the following bank:

- Name of Beneficiary: Insurance Regulatory and Development Authority of India
- Account No.: 860120100001938
- IFSC Code: BKID0008601
- Name of Bank: Bank of India
- Branch: Basheerbagh, Hyderabad

Once approved by Lloyd's, the service company will be able to enter into a Service Company Underwriting Agreement, a binding authority authorising a service company to enter into a contract(s) of (re)insurance only to be underwritten by members of a syndicate managed by the service company.

Any further changes to the service company record, once the entity has been approved, will need to be submitted to Lloyd's through Atlas (e.g., adding a line of business).

It should be noted that the application process can take up to six months from establishing a business plan to the commencement of underwriting.

Key Requirements for Establishing a Service Company of Lloyd's India

Incorporation - A service company is required to be incorporated locally as a private company or public limited company with the Registrar of Companies in India and appoint a local Board for the service company that comprises a minimum of two directors, at least one of whom MUST be resident in India.

Capital requirement - The service company needs to be established as a private company or public limited company with a minimum capital of INR 500,000 (Approx. GBP 4,000). Further, the syndicate through the service company needs to maintain in india an assigned capital of INR 50 million (Approx. GBP 400,000).

Memorandum of Association (MoA)/Articles of Association (AoA) - The main objects of the MoA/AoA of the Service Company shall be to provide all necessary information on technical underwriting, the binding of risks, settling of claims, administration, accounting, investment, regulatory and other assistance to the syndicate(s) whom they represent.

Bank Account - Each service company will need to establish at least two bank accounts in India – one for its operational purposes (meeting service company day-to-day expenses) and another in respect of the underwriting account (to hold premiums and reserves).

Lloyd's Approval and Board Authorisation

The applicant must provide either approval from Lloyd's permitting the Managing Agent to establish a service company, or a Board Resolution of the Board of Directors of the promoter approving the establishment of the service company, as applicable.

Details of shareholders/ subscribers of the service company

Provide details of all shareholders of the service company, including specific information on individuals or entities holding more than 5% of the paid-up capital (or its equivalent) of the applicant.

Details of Lloyd's India Syndicate

Provide details of the Members of Lloyd's promoting the syndicate, their approval for its establishment, and the lines of reinsurance business to be underwritten. Also confirm whether a Service Company Underwriting Agreement is in place, along with details of the service company (if applicable) and the assigned capital of the syndicate.

Business Plan

Provide a detailed description of the financial projection model and assumptions, along with five-year projections covering key metrics such as business volume, staffing, income, expenses, solvency, capital requirements, and financial statements in the format as prescribed by IRDAI for financial reporting

Outsourcing

Service Companies are permitted to outsource the specified non-core activities relating to their operations in India such as back-office servicing, IT, accounts, marketing, human resources, administration, and publicity. Core activities such as underwriting, investment, claims decisions & settlement, regulatory compliances and any other function specified by the Authority in general or with reference to a specific entity cannot be outsourced.

Retention and Retrocession

Syndicates of Lloyd's India must maintain a minimum retention of **50% of the Indian reinsurance business underwritten** in accordance with the IRDAI (Re-insurance) Regulations, 2018 and the IRDAI (Registration and Operations of Foreign Reinsurers Branches and Lloyd's India) Regulations, 2024, as amended from time to time. Retrocession arrangements are subject to the requirements of these regulations and the IRDAI Master Circular on Reinsurance, 2024, including provisions relating to retention, eligible counterparties, governance, risk management, and regulatory reporting.

Filings

The service company shall be responsible for all statutory and regulatory filings and compliance on behalf of the syndicate it represents. Any regulatory filings with the IRDAI must be made through Lloyd's India.

The proposed CEO candidate is also required to undergo an interview with the oversight team and Lloyd's India Country Manager, prior to its application being submitted to the IRDAI for approval. The CEO application is accompanied by a covering letter from Lloyd's India, setting out its rationale and support for the proposed appointment. The CEO must be directly employed by the service company.

Of Previous Application

Indicate whether the applicant has previously applied for registration or sought registration approval in India. If so, provide full details, including the outcome of such applications and reasons for any rejection, if applicable.

Further considerations

Solvency Margin, Funding, and Investments

Solvency Margin

The solvency margin for Lloyd's India will be calculated in accordance with the IRDAI (Actuarial, Finance and Investment Functions) Regulations 2024, which require a control level of solvency of 150%.

Lloyd's India has provided Assigned Capital of INR 1,000 million centrally (as required by the IRDAI), and the benefit of this centrally provided capital will be allocated to service companies when determining the solvency ratio at syndicate level.

The solvency ratio for each syndicate considers the assets that they provide (INR 50 million minimum assigned capital, their reserves and additional capital if required) as well as an allocation of the centrally provided capital against their liabilities and their required solvency margin.

Whilst Lloyd's India (at a level of all syndicates combined) is required to always maintain a solvency ratio of at least 150%, individual syndicate solvency is likely to be variable over time. Lloyd's India will require any syndicate falling below this level at any quarter-end to provide additional assets immediately (as part of the quarterly funding process), to meet the IRDAI solvency requirement.

Quarterly Funding Process

At each quarterly review, the solvency position is calculated based on the liabilities as at quarter-end, and the assets that are already in place in the deposit (which would have been adjusted following the previous quarter's review). This is filed with the IRDAI via solvency reporting by Lloyd's.

In addition, the funding adjustment for the purposes of the next quarter's solvency calculation is calculated by projecting the expected experience and growth over the following quarter. Service companies are then informed of their required funding adjustment and must provide sufficient assets within 45-60 days of the quarter-end.

The funding adjustment is calculated so that:

- Service companies individually meet the 150% solvency ratio retrospectively; and
- The assets after adjustment are expected to be sufficient to achieve a Lloyd's India (in aggregate) solvency ratio of at least 150% at the time of the next quarter's review (this is considered as "forward funding").

Lloyd's India intends to maintain a fund which should always give a solvency ratio of above 150%, by providing additional capital to act as a buffer between quarterly review calculations.

The **INR 1,000 million** capital buffer provided centrally by Lloyd's serves as the initial regulatory capital buffer. Where business growth or other factors result in increased capital requirements, service companies are required to provide additional capital to supplement the central buffer. To

ensure that the buffer is not utilised to fund increases in regulatory capital requirements arising from business growth between reporting periods, Lloyd's requires syndicates forecasting premium growth in the next quarter to contribute additional capital proportionate to their planned growth in signed premium.

Inter-quarter Funding

If a significant loss event were to occur between quarters and is expected to reduce Lloyd's India's solvency ratio below the required 150% threshold at the next quarter-end (for example, where incurred claims exceed the available buffer), Lloyd's may initiate an additional funding exercise outside the normal quarterly process and request service companies to provide additional assets. This would accelerate the build-up of assets supporting these liabilities and support continued compliance with the 150% solvency ratio requirement.

Double Funding Issue

The current arrangement agreed with the IRDAI is that Lloyd's India and its service companies can take benefit of the assets held in the Lloyd's India capital account/s for solvency purposes. However, managing agents and syndicates may not obtain capital credit for funds held in India when assessing group-wide capital requirements. This may result in the need to maintain capital against the same business both locally and globally, creating a potential double-funding requirement.

Investments

If there are any outstanding questions concerning investments within India, please contact the Treasury & Investment Management team in particular; Manish Bhandari, CFO – Lloyd's India.

Key Management Personnel and other mandatory positions

Every service company/coverholder is required to appoint the following Key Management Personnel (KMP):

- Chief Executive Officer (CEO)
- Chief Underwriting Officer (CUO)
- Chief Financial Officer (CFO)
- Chief Compliance Officer

The **CEO** of a service company shall be subject to fit and proper criteria and shall be appointed only with the prior approval of the Competent Authority (IRDAI). The proposed CEO candidate is also required to undergo an interview with the oversight team and Lloyd's India Country Manager, prior to its application being submitted to the IRDAI for approval. The CEO must be directly employed by the service company.

The **CFO** of the service company will be required to liaise closely with the Lloyd's India CFO to ensure that the IRDAI returns are being prepared accurately, and that the syndicate investments in India are being managed in accordance with the IRDAI (Actuarial, Finance and Investment Functions) Regulations 2024. Given that the reserves for the India operation are set centrally by Lloyd's, the CFO is also required to work closely with the Lloyd's Actuary and the India CFO, to ensure that the syndicate and Lloyd's India comply with the IRDAI Solvency requirements.

The Master Circular on IRDAI (Registration and Operations of Foreign Reinsurers Branches and Lloyd's India) Regulations, 2024, also requires the Service Companies to appoint a **Compliance Officer**, in charge of monitoring compliance of the service company with both Lloyd's and IRDAI requirements. The Compliance Officer may not be resident in India.

Employee requirements – the CEO and CUO must be Indian residents and employed by the Service Company. All other staff with underwriting or claims authority must meet the local regulatory requirements.

KMP Details - Details of all KMPs, along with their biodata (personal and professional information), must be submitted as part of the registration process in accordance with Form KMP-1. Any appointment, reappointment, or change in a KMP must be notified to the IRDAI within 7 days from the date of such change.
KMP vacancy - the service company must notify the IRDAI of any vacant KMP position within 7 days, providing details of the individual designated to discharge the responsibilities of the vacant role. The service company must take prompt action to fill such vacancies, ensuring that no KMP position remains vacant for more than 180 days.

KMP Remuneration - Prior approval of the IRDAI is required for the managerial remuneration of the CEO. In accordance with the IRDAI (Registration and Operations of Foreign Reinsurers Branches and Lloyd's India) Regulations, 2024 and the Master Circular 2024, details of remuneration components paid to KMPs must be reported annually in the prescribed format along with financial statements.
The CEO and CUO must be residents in India and directly employed by the service company.

Scope of Business and Underwriting Authority

Service companies are permitted to write both Indian and non-Indian reinsurance business, subject to compliance with the relevant regulatory requirements in the respective territory.

Whilst the extent of the underwriting authority may vary from one managing agent to another, the IRDAI expects every service company to have the necessary authority in respect of underwriting, claims, compliance, and investments. Managing agents are therefore required to ensure that a sufficient level of authority is granted to the service companies to ensure compliance with IRDAI requirements.

The service company is responsible for binding reinsurance on behalf of Lloyd's Members, managing premiums, claims, expenses, and underwriting operations, as well as issuing policy documentation and handling administrative functions.

It must also ensure regulatory compliance, transparency of syndicate capacity, talent development, adherence to local laws, and fulfil any additional requirements specified by Lloyd's India and the IRDAI. The detailed responsibilities and requirements are set out in the IRDAI IRDAI (Registration and Operations of Foreign Reinsurers Branches and Lloyd's India) Regulations, 2024.

Risk Location and Regulatory Considerations

Lloyd's service companies must adhere to Lloyd's trading rights in all territories where the risks they underwrite are located and must do so in accordance with local legal and regulatory requirements. Information about Lloyd's global trading rights and related regulatory requirements are available on Crystal+.

Risk location must be accurately captured with appropriate systems and controls to ensure compliance with all applicable regulatory and tax obligations.

For further information on Lloyd's global trading rights or Crystal, Lloyd's service companies should contact LITA.

Lloyd's International Trading Advice

T: +44 (0)20 7327 6677

E: LITA@lloyds.com

Operational Costs

Office rent – it is a regulatory requirement for a service company to be co-located with Lloyd's India. Existing office space is located at the Executive Centre, Unit 1, Level 6, 4 North Avenue, Maker Maxity, BKC, Bandra East, Mumbai 400051.

Each service company will bear the cost for the space allocated to them. The service companies can also access meeting rooms within the Lloyd's India space. Whilst the cost of the meeting rooms is included in the existing rent, any calls, including video conference calls will be charged on a user pays basis.

In the event that space is not immediately available within the current Lloyd's India leased area, Lloyd's India will explore alternative options and seek approval from the IRDAI accordingly.

Office Fitout and Infrastructure Considerations

Each service company is responsible for organising and funding their own IT infrastructure as there is currently no shared IT platform or common system in place. Lloyd's India can assist with providing contacts at The Executive Centre, to allow for discussions on obtaining the necessary server rack space, and for procuring any IT equipment from local vendors.

Funding of Lloyd's India Administrator Costs

The costs of operating the Lloyd's India office are covered in full by the Lloyd's international operating charge; there is no separate charge made to the service companies for the service of running Lloyd's India.

Taxation

Every managing agent is required to obtain its own taxation advice in relation to its India operations. Managing agents can contact any of the tax specialists listed at Appendix A as these entities are also familiar with the Lloyd's structure and set up in India. Lloyd's India does not have any role or responsibility in handling tax matters for service companies or syndicates.

Adherence to tax requirements, e.g. Goods and Services Tax (GST) and corporation tax, are the sole responsibility of the service company. Furthermore, a service company must ensure that it is properly registered with the relevant tax authorities, and that all required tax filings, payments, and disclosures are completed in accordance with applicable laws.

The following are the taxes applicable to service companies and syndicates:

Direct taxes – Income tax

- Profits attributable to a Syndicate's underwriting activities through Lloyd's India are taxable in India at the foreign company tax rate of 35%, plus applicable surcharge and health and education cess. The effective tax rate may therefore exceed 35%
- The Indian domestic corporation tax rate is currently 22% (excluding surcharge and education cess).

- The presence of Lloyd's India service companies creates a permanent establishment in India for the underwriting members of the participating syndicates, and therefore they become subject to Indian corporation/income tax. The basis for the tax computations will be the audited Financials as per the applicable IRDAI regulations for the syndicate and audited accounts drawn up as per the Companies Act, 2013 for the service company.

Indirect taxes – GST

- GST is applicable on all services provided in India (including reinsurance) at a general rate of 18%
- The service companies are responsible for applying the correct GST rates for the reinsurance business underwritten on behalf of the syndicate and filing their returns. Service companies are also liable to GST on the amounts invoiced to the syndicate under the services agreement.

Books of Accounts and Audit

Books of accounts

The books of accounts of the syndicate are required to be prepared in accordance with the applicable provisions of IRDAI (Actuarial, Finance and Investment Functions) Regulations 2024 and its master circulars.

The books of accounts of the service company are required to be prepared in accordance with the Companies Act 2013 as amended from time to time.

Audit

The accounts of the syndicate and service company are required to be statutorily audited. In this regard, the appointment of statutory auditors is required to be Board Approved and must be communicated to the Authority within 7 days of the appointment.

Actuarial

As per the agreed process with the regulator, the reserving and capital requirement for Lloyd's India will be performed centrally by Lloyd's. Lloyd's India Central actuarial function is responsible for determining IBNR and signing off on solvency at platform level.

Repatriation

(1) Repatriation of Surplus or profits generated by the operations of a Syndicate operating as a branch of foreign reinsurer:

As per the provision of Master Circular on Reinsurance 2024, issued by IRDAI, syndicates can repatriate surplus or profit generated by the operation of branch to its head office **without any prior approval of the Authority**, subject to the following conditions:

(a) Up to 50% of surplus or profits generated by the branch of foreign reinsurer as per the last audited financial statements can be repatriated;

(b) Repatriation can be done only once for every financial year;

(c) Solvency ratio should be at least 50 bps higher than the control level of solvency after repatriation (i.e., 200%). Such higher solvency ratio shall be maintained for at least two quarters following the quarter in which repatriation of surplus or profits generated by the operations of branch is done;

(d) A certificate from certifying Actuary to the effect that sufficient reserves are made to meet the reinsurance liabilities is furnished to the Authority;

(e) Details of the repatriation shall be submitted to the Authority within 7 days of repatriation.

(2) Repatriation of Funds/ Assigned capital other than Surplus or profits generated by the operations of branch of foreign reinsurer:

As per the provision of Master Circular on Reinsurance 2024, issued by IRDAI, excess assigned capital other than surplus or profits generated by the branch of foreign reinsurer may be repatriated **with prior approval of the Authority** subject to the following:

(a) The request to repatriate the assigned capital shall be submitted by the Foreign Reinsurer, which is engaged in reinsurance business through a branch established in India, justifying the reasons for such request;

(b) A certificate from the Foreign Reinsurer stating that the Reinsurer has Net Owned Funds of INR five thousand crores (INR 50,000 million) or such amount as specified under Sec 6 (2) of the Insurance Act,1938, as per the last audited balance sheet;

(c) Minimum Assigned Capital as specified by the Authority at the time of grant of certificate of registration net of provisions as per regulations shall always be ensured;

(d) Solvency ratio is at least 50 bps higher than the control level of solvency after repatriation. Such higher solvency ratio shall be maintained for at least two quarters following the quarter in which repatriation of assigned capital of branch is done;

(e) Such repatriation shall not exceed 20% of assigned capital as per the last audited financial statements of branch of foreign reinsurer;

(f) Not more than one request shall be made by the Foreign Reinsurer in a financial year;

(g) A certificate from certifying Actuary to the effect that sufficient reserves are made to meet the reinsurance liabilities;

(h) A certificate from practicing Chartered Accountant/Company Secretary that the request does not include the repatriation of surplus or profits as per sub regulation 8 of Reg. 30 of IRDAI (Registration and operations of Foreign Reinsurers branches and Lloyd's) Regulations, 2024

(i) A certificate from practicing Chartered Accountant/Company Secretary on compliance with the FEMA requirements, RBI directions, tax laws, and applicable regulatory framework.

Regulatory and Compliance Reporting

In accordance with the IRDAI (Registration and Operations of Foreign Reinsurers Branches and Lloyd's India) Regulations, 2024; the IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024; and the Master Circular on Reinsurance, 2024, Service companies are required to facilitate the preparation and submission of regulatory returns.

Set out below is a list of regulatory returns to be filed with the Authority.

1. Actuarial and Solvency Returns

2. Financial and Accounting Returns

3. Investment and Asset Reporting

4. Reinsurance and Business Returns

5. Corporate Governance and KMP Returns

6. Audit and Compliance Returns

7. Operational and Regulatory Filings

8. Statistical and Business Returns

9. Any other returns / reports made applicable by the Authority from time to time

All interactions with IRDAI must be routed through Lloyd's India; managing agents, service companies and their employees should advise Lloyd's India, in the first instance, on any matter they wish to discuss with the IRDAI and not contact the IRDAI directly as Lloyd's India is the designated point of contact for all official liaisons.

Lloyd's India Compliance Reporting

To ensure Lloyd's India can protect its single licence in India, it relies on the ongoing compliance of every service company to meet the Lloyd's India Compliance Reporting requirements. To gain assurance that the service companies are fulfilling their compliance duties, Lloyd's India requires a Lloyd's India Compliance Report (LICR) to be completed monthly and signed off by the service company CEO. The report covers the basic compliance requirements under the Lloyd's India regulations and other applicable regulations.

Service Company Regulatory Audit

In accordance with the provision of IRDAI (Registration and Operations of Foreign Reinsurers Branches and Lloyd's India) Regulations 2024 to ensure effective supervision and oversight

by Lloyd's over its service companies, each service company is required to conduct an internal audit on an annual basis (based on the Lloyd's Principles of doing business) and submit a summary of the audit findings and compliance status to Lloyd's, for onward submission to the Authority.

Maintenance of Records

Service companies are required to maintain insurance and related records mandatorily in India in accordance with the (IRDAI (Maintenance of Information by the Regulated Entities and Sharing of Information by the Authority) Regulations, 2025, and other applicable Indian laws and regulations, as well as relevant guidelines and circulars issued by the IRDAI from time to time.

All records relating to underwriting, policies, premiums, claims, financial transactions, and regulatory reporting must be accurately maintained, securely stored, and retained for the prescribed statutory period. Such records should be readily accessible for internal review, audit, and inspection by regulatory authorities, ensuring transparency, data integrity, and compliance with applicable legal and regulatory requirements.

Other Regulatory Compliance

In addition to the IRDAI regulatory requirements, the service company also needs to adhere to filing requirements with the Registrar of Companies, Foreign Exchange Management Act (FEMA) and Shop and Establishment Act Compliances.

- Registrar of Companies (ROC) - http://www.mca.gov.in/
- Foreign Exchange Management Act (FEMA) -
- Shop and Establishment Act -

You may also seek the assistance of your consultants for carrying the above stated compliances.

Electronic Transaction Administration and Settlement System (ETASS)

ETASS (Electronic Transaction Administration and Settlement System) is a digital platform developed by the General Insurance Council (GI Council) under the guidance of the IRDAI to facilitate the administration, accounting, reconciliation, and settlement of reinsurance transactions in India.

For reinsurance business, ETASS-Re provides a centralized platform where insurers, reinsurers, Foreign Reinsurance Branches (FRBs), International Financial Service Centre Insurance Offices (IIOs), Cross Border Reinsurers (CBRs), and reinsurance brokers can

- Capture and confirm reinsurance contracts (Treaty and Facultative).

- Submit and reconcile Statements of Account (SOAs).
- Track amounts due to and due from counterparties.
- Manage settlement and payment-related information.
- Maintain a complete audit trail of transactions.
- Generate regulatory and management reports.
- Receive alerts and notifications for pending actions

Syndicates of Lloyd's that are registered as Cross Border Reinsurers (CBRs) are required to onboard themselves onto the ETASS platform. Once the syndicates are set up on the Lloyd's India platform, Lloyd's India will facilitate their onboarding to ETASS.

Claims

The ultimate responsibility for claims lies with the service company. The service company will have responsibility for effective claims management and for ensuring claims processes and claims adjustment meet the requirements set by the IRDAI and Lloyd's and is in accordance with the service company's claims management framework and policies.

Anti-bribery & Sanctions

As the business written by the service company on behalf of the syndicate is subject to IRDAI and UK regulations, as well as any other regulations applicable to the service company, all service company activities and business written must comply with all relevant Indian & UK regulatory requirements such as Sanctions, Anti-bribery and Anti-money laundering regulations.

Business Continuity

The service company is responsible for its own business continuity plan (BCP) and a copy of the BCP should be maintained in the office and be accessible to all staff. The BCP should contain procedures, processes, and systems for restoring the orderly and expeditious operation of the service company's business in the event of any disruptions to its operations.

It should be noted that the process can take up to six months from establishing a business plan to the commencement of underwriting.

Key contacts for various service providers

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Templates and Documentation

Standard formats and templates relating to the establishment of a Service Company are available through Lloyd's India. For access to these documents, please contact:

- **Shefali Sehwani**, Chief Executive Officer (CEO)
  Shefali.sehwani@lloyds.com
- **Sonali Chawda**, Chief Compliance Officer (CCO)
  Sonali.chawda@lloyds.com

Application and onboarding documents

Check	Document referenced	What Lloyd's India can provide	Reference in the guide
☐	**Incorporation of documents of the Service Company including MoA & AoA**		Key Requirements for Establishing a Service Company of Lloyd's India
☐	**Capital confirmation – INR.5 lakhs**		Key Requirements for Establishing a Service Company of Lloyd's India
☐	**IRDAI Service Company Application – Form S-2**	Blank application form.	Application Process
☐	**Syndicate details**		Key Requirements for Establishing a Service Company of Lloyd's India
☐	**Proof of payment of application fee (INR. 1 lakh plus taxes)**	Bank details provided in the guide	Service Company Application
☐	**Service Company Undertaking**	Standard undertaking, sourced through the Delegated Authority Team (DAT), for signing and uploading to Atlas.	Service Company Application
☐	**Coverholder decision paper**		Service Company Application
(i)	**Pro-forma business plan**	Standard format, if available, covering the five-year India strategy, business lines, premium estimates, loss ratios, and distribution.	Application Process – Key Considerations

(ii)	**Five-year financial projection and financial statement formats**	IRDAI-prescribed reporting formats; confirm whether a supporting projection template is available.	Key Requirements – Business Plan
(iii)	**Details of principal staff**		Key Management Personnel and other mandatory positions
(iv)	**Professional indemnity Insurance details**		Service Company Application
☐	**Service Company Undertaking**	Standard undertaking, sourced through the Delegated Authority Team (DAT), for signing and uploading to Atlas.	Service Company Application
☐	**Service Company Code of Practice**	Copy or access link to the applicable Lloyd's requirements.	Service Company Application
☐	**Lloyd's Principles of Doing Business**	Copy or access link to the principles referenced throughout the guide.	Purpose of Guide; Service Company Application; Regulatory Audit
☐	**Lloyd's / DAT 'in principle' approval letter**	Coordinate issuance by DAT once the relevant approval process is completed. This is an applicant-specific letter, not a blank template.	Service Company Application; Lloyd's Approval and Board Authorisation
☐	**CEO "Fit & Proper" Information**		Key Management Personnel
☐	**Form KMP-1, KMP-2, KMP-3 & Form A, B&C**	Blank prescribed form for submitting KMP details and biodata.	Key Management Personnel (CEO, CUO & CFO)
☐	**Lloyd's India covering letter supporting the proposed CEO appointment**	Prepare the appointment-specific covering letter following the required interview and review process.	Key Requirements – Filings
☐	**Service Company Underwriting Agreement**	Help source any applicable standard wording or guidance through DAT. The managing agent and service company remain responsible for their agreement.	Service Company Application; Details of Lloyd's India Syndicate