

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION No. 5845

ANSWERED ON MONDAY, 30 MARCH, 2026/CHAITRA 09, 1948 (SAKA)

Adoption of Indian Accounting Standards w.e.f. 01.04.2026

5845. SHRI V K SREEKANDAN:

Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that the Insurance Regulatory and Development Authority of India (IRDAI) has asked all insurers to adopt Indian Accounting Standards with effect from 1.04.2026;
- (b) if so, the details thereof;
- (c) whether it is a fact that the move is aimed at promoting more consistency, transparency and comparability in financial reporting across the insurance sector, if so, the details thereof;
- (d) whether it is also true that the framework has been developed after comprehensive engagement with insurers; and
- (e) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) & (b): The Insurance Regulatory and Development Authority of India (IRDAI) has informed that it is in process of adopting Indian Accounting Standards (Ind AS) after due consultation with all the concerned stakeholders. An exposure draft of the IRDAI (Actuarial, Finance and Investment Functions of Insurers) (Amendment) Regulations, 2026 for the adoption of Ind AS had been placed in public domain for stakeholder comments. The date of applicability will be as per notification of the amended regulations, which is to be issued.

(c) to (e): IRDAI informed that the proposed alignment of financial reporting of insurers with applicable Ind AS is intended to strengthen the overall financial reporting framework of the insurance sector. Further, the Ind AS framework prescribes uniform principles for recognition, measurement, presentation and disclosure of financial information. Adoption of Ind AS is expected to maintain compliance with statutory requirements, preserving transparency and policyholder protection, and ensuring operational feasibility and consistency in financial reporting across insurers, while aligning with globally accepted accounting practices further enhancing the overall quality, transparency, consistency and comparability of financial reporting across the insurance sector. Authority asked insurers to conduct gap assessment exercise in a prescribed format. Further, after analysing the gaps, insurers were asked to submit Ind AS proforma financial statements for FY 2023-24 and FY 2024-25, in prescribed formats along with related information, which facilitated assessment of potential impact and enabled insurers to review key policy choices and implementation aspects. A meeting was held by GI council with its members on 18.03.2026 seeking comments on implementation of Ind AS. Framework is being evolved through a structured and consultative process involving engagement with insurers and other stakeholders.
