

# Lloyd's IFSC (GIFT City) Service Company Set Up Guide

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**V2**

## Disclaimer

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This is a guide to assist Managing Agents with the intention of setting up a Service Company in GIFT City, India.

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## 1. Background to Lloyd's in GIFT City

The Lloyd's market operates in India's International Financial Services Centre (IFSC) at GIFT City through **Lloyd's IFSC** (a branch of The Society of Lloyd's) and **Lloyd's IFSC Service Companies** that act on behalf of Members of Lloyd's syndicates. Schedule II of the [International Financial Services Centres Authority \(Registration Of Insurance Business\) Regulations, 2021](#) as amended from time to time (IFSCA Regulations) sets out the special framework for Lloyd's.

## 2. Lloyd's IFSC Permissions

The Lloyd's IFSC platform enables Lloyd's underwriters to appoint Service Companies (incorporated in India under the *Companies Act 2013*) to underwrite from GIFT City. The Service Company acts under a Service Company Underwriting Agreement and is required to comply both with Lloyd's requirements and IFSCA regulations. Registration is coordinated with Lloyd's IFSC (administrator) and the Authority (IFSCA).

Service Companies participating on the Lloyd's IFSC platform may be registered to transact:

### Reinsurance business:

- From cedents based in the IFSC (GIFT City);
- Emanating from other Special Economic Zones (SEZ);
- From outside India; and
- From insurers operating in the Domestic Tarriff Area (DTA) subject to **IRDAI (Re-insurance) Regulations 2018**

### Insurance business:

- From entities based in the IFSC (GIFT City)
- Emanating from other Special Economic Zones (SEZ);
- From outside India; and
- From the DTA subject to Section 2CB\* of the Insurance Act

### Service Company and Syndicate combination

The table below sets out common operating scenarios and Lloyd's current position on permissibility within the Lloyd's IFSC model. Where structures are not permissible, Managing Agents should not proceed on that basis. Lloyd's will continue to work with the regulator to consider and, where appropriate, address other currently non-permissible scenarios, and will update the market in due course.

S.no	Scenarios	Lloyd's position
1	Service company binds for one syndicate of its associated managing agent	<b>Permissible</b> (standard model).

2	Service company binds for multiple syndicates that are owned and managed by the same managing agent	<b>Permissible</b> - Regulation does not specifically contemplate this nor does it prevent it and is broad enough to argue it is permissible.
3	Service company binds for syndicates managed by different teams managing agents	Not permissible
4	Service company subdelegates to third-party coverholders (binders)	Not Permissible
5	Service company participates on line slips (lead/follow)	Not Permissible
6	Service company writes on behalf of other carriers within the MA's group	Not Permissible
7	Consortium capacity delegated to a local service company	Not Permissible
8	Consortia' of multiple service companies	Not Permissible

### 3. Risk Location & Trading Rights

- **Permissible business** must respect IFSCA's geographical and product scope and Lloyd's global trading rights. Write only the classes/territories authorized; for DTA (Domestic Tariff Area) cedants, follow Indian order of preference where relevant to reinsurance placements (handled at IIO/Lloyd's IFSC level).
- Syndicates with a Foreign Reinsurance Number issued by IRDAI which have written business on a cross-border basis are able to transfer that business to the IFSC service company. Business written on this basis which is subject to collateral can be transferred either on renewal, or through novation of the reinsurance contract subject to agreement of the cedant. Business written through a service company on the Lloyd's India platform cannot be transferred to an IFSC service company.

### 4. Key Considerations for becoming a Service Company

A managing agent seeking to establish a Service Company on Lloyd's IFSC platform should engage with the Lloyd's IFSC Principal Officer in the first instance.

#### 4.1 Business Plan

Managing Agents must prepare a business plan for their proposed Service Company. The activities set out in the business plan must align with the nature of the service company's proposed authorisation. This should cover:

- Types of reinsurance or insurance arrangements to be offered
- Underwriting (including nature of support and training provided to underwriters)

- o Financial projections

## 4.2 Establishing a company

The Service Company must be an Indian company registered under the *Companies Act 2013*.

- i. The Company must have a minimum paid up capital of **INR 5 Lakh (INR 500,000)**
- ii. The main objects of Memorandum of Association and Articles of Association of the Indian company shall be to provide all technical, underwriting, binding risks, settling claims, administrative, accounting, investment, regulatory and other assistance to the syndicates whom they represent.
- iii. The Service company may only operate on behalf of Lloyd's members/syndicates via binding authority.

## 4.3 Staffing Requirements

The service company must appoint:

- i. A principal officer, and
- ii. An officer in charge of underwriting (having relevant experience)

Both roles cannot be held by the same person. The role holders must be resident in India and directly employed by the service company. The appointments must satisfy IFSCA fit and proper criteria, and the proposed Principal Officer will be interviewed by the Lloyd's IFSC Principal Officer.

## 4.4 Timelines

Once the Service Company is approved by Lloyd's IFSC and registered with IFSCA, it must commence business within 12 months.

## 4.5 Regulatory Fees

Lloyd's does not impose any regulatory or administrative fees for establishing a Service Company on the Lloyd's IFSC platform. Although Lloyd's are empowered by the IFSCA regulations to approve and onboard Service Companies, there is a separate requirement to register with IFSCA and the SEZ authorities, and fees may be imposed by these bodies as part of their own processes.

Lloyd's is seeking clarification on the applicability of these fees and will confirm the position as soon as possible. If payable, the fees for FY2026-27 onwards are expected to be as set out below.

Indian applicants may pay application and registration fees (if required) in INR at the RBI reference rate on the date of payment.

<b>Application Fee</b>	<b>USD 1,000</b> — non-refundable, payable at time of application. Applications not accompanied by this fee will not be considered. <i>Please do not pay fees until directed to do so by Lloyd's IFSC.</i>
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<b>Registration Fee</b>	<b>USD 5,000</b> — one-time, non-refundable, payable within 15 days of IFSCA's demand (at time of in-principle or direct approval). Failure to pay within the specified time may result in rejection of the application.  <i>Please do not pay fees until directed to do so by Lloyd's IFSC.</i>
<b>Annual Recurring Fee</b>	<b>USD 12,500</b> OR 1/20th of 1% (0.05%) of total Gross Premium Written (GPW), whichever is HIGHER. Payable by 30 April each financial year. For the year of grant: pro-rated by remaining months, payable within 15 days of grant. For subsequent years: use audited GPW of preceding-to-preceding financial year (e.g. for FY 2026-27, use audited GPW of FY 2024-25).

**Annual Fee Illustration**

Service Company granted Certificate of Registration on 12 February 2026:

- FY 2025-26 (year of grant): USD 12,500 × 2/12 = USD 2,083 — payable within 15 days of grant
- FY 2026-27: USD 12,500 minimum — payable by 30 April 2026
- FY 2027-28: higher of USD 12,500 or 0.05% of audited FY 2025-26 GPW — payable by 30 April 2027

**Regulatory reference:** [Fee Circular IFSCA-DTFA/2/2026](#) dated 2 March 2026 (Updated as on March 13, 2026). This circular supersedes prior fee circulars dated April 2025, June 2025 and September 2025.

## 4.6 Circumstances requiring specific IFSCA approval

In certain scenarios, IFSCA specific approval shall be required to establish a service company. If such scenario applies, or you think may apply, please notify the Lloyd's IFSC Principal Officer. Scenarios include where a syndicate has:

1. Applied to IRDAI for a cross-border reinsurer (CBR) filing reference number (FRN) which was not approved.
2. Been allotted a CBR FRN which has been subsequently revoked, withdrawn or kept in abeyance by IRDAI.
3. Surrendered or applied for surrender of its certification of registration to IRDAI.
4. A live application for registration of a service company of Lloyd's India under consideration by IRDAI, or
5. Been issued a certificate of registration by IRDAI as a service company of Lloyd's India.

## 4.7 Capital & Solvency (Lloyd's & IFSCA)

- **Assigned capital (IIO context):** The IFSC framework prescribes **USD 1.5m** equivalent **assigned capital** for applicants establishing a place of business in IFSC. Lloyd's IFSC meets this obligations and Service Companies **do not need** any additional assigned capital.
- **Service Company capital:** The SC, incorporated in India, must meet **minimum paid-up capital of INR 500,000** (Schedule II) and maintain ongoing compliance with any additional Lloyd's or IFSCA prudential expectations tied to its role.

- **Solvency margin:** Maintained at the Lloyd's IFSC/head office level as per home regulator rules, with supporting assets and quarterly actuary certifications for IIOs; SCs ensure controls/reporting to support that framework and must not undertake activities beyond authorization.

## 4.8 Office Space - Co-location Requirement

As part of the Lloyd's operating model within GIFT City IFSC, co-location of all Lloyd's Service Companies with Lloyd's IFSC is mandatory. Lloyd's has secured serviced office space for its own use at the following location:

**Cabin No. 04-41, FLEXONE  
15C2, Block 15, Road 1C, Zone 1  
GIFT SEZ, Gujarat International Finance Tec-City (GIFT City)  
Gandhinagar, Gujarat 382050, India**

Managing Agents establishing a Lloyd's Service Company in GIFT City are required to occupy co-located space within Lloyd's IFSC. This ensures alignment with Lloyd's premises standards, enables improved operational support, and facilitates interaction with the wider Lloyd's IFSC platform.

The serviced office is managed by Lloyd's appointed workspace provider, and Managing Agents should contact the office agent (details below) directly as soon as possible to arrange space allocation, leasing formalities, or to obtain additional logistical information.

**Contact - Shivan Sinha, General Manager - Leasing at +91 63596 94051 or [shivan@collated.in](mailto:shivan@collated.in)**

If you have any questions and need any further support, you can get in touch with Jas Lozinski (Senior Manager – Real Estate, Lloyd's) at [jas.lozinski@lloyds.com](mailto:jas.lozinski@lloyds.com)

## 4.9 Technology/Records

Maintain books and records in accordance with the format and method prescribed by the IFSCA (Maintenance of Insurance Records and Submission of Requisite Information for Investigation and Inspection) Regulations, 2022, ensuring that Lloyd's market systems establish secure connections for compliance reporting as outlined within these recordkeeping requirements.

## 4.10 Tax, GST & Audit

- **Taxation:** The Service Company (Indian company) is expected to be a taxable entity in India and is responsible for its own tax affairs. In addition, the activities of the Service Company in India may create an Indian taxable presence of the Lloyd's member(s)/ syndicate. There is no central tax filing arrangement in India therefore member(s)/ syndicates must make their own tax arrangements and Lloyd's expect managing agents to have taken appropriate tax advice to understand the tax implications for all parties from how they choose to underwrite and to have complied with their obligations under the managing agency agreement in respect of taxation.
- A tax holiday for income tax purposes and certain other tax benefits exist for Units within an IFSC however the application of Indian tax law to the Lloyd's market is complex and relatively untested. Please contact Lloyd's Tax Department for further guidance.

- The auditor for the SC and for syndicate reporting (as applicable) should be appointed in line with Indian requirements and IFSCA expectations for filings

## 4.11 Trust/Bank Accounts & Funds Flow

- **Operating currency:** Business is transacted in freely convertible foreign currency; **one INR account** is permitted solely for administrative/legal expenses, if allowed by IFSCA.

## 5. Service Company Application

Lloyd's have sought to align the Service Company application process with the current standard process insofar as possible, to better facilitate market participation on Lloyd's IFSC platform. The IFSCA regulations impose further steps and obligations which have been incorporated into the process.

At the start of the process, the Managing Agent should engage with Lloyd's DA team and the Lloyd's IFSC Principal Officer.

The Managing Agent must complete and submit the application via ATLAS to the DA team.

Subsequently the Managing Agent should undertake all the steps outlined in **Section 8 – Service Company Registration Checklist**

Once Lloyd's is satisfied with the application, it will notify IFSCA.

## 6. Go Live

- **Registration confirmation:** On Lloyd's approval and IFSCA registration, the Service Company will be notified of the outcome of their application.
- The **Service Company Underwriting Agreement** shall be executed between the managing agent and syndicate.
- **Commencement:** Start operations **within 12 months**

## 7. Restrictions Prior to Obtaining IFSCA Registration

Until the Service Company is approved by Lloyd's and registered by IFSCA and the Service Company Underwriting Agreement is in force, **do not:**

- Bind or solicit insurance/reinsurance business from the IFSC.
- Issue policies, collect premiums, or hold out as an operating Lloyd's SC in India.
- Use restricted titles or otherwise imply authorization. (The IFSCA regime requires registration before commencing any activity; non-compliance can lead to refusal, suspension, or cancellation.)

## 8. Service Company Registration Checklist

#	Action Item	Status
1	Contact Lloyd's IFSC Principal Officer (Administrator) regarding intent to setup in GIFT City	<input type="checkbox"/>
2	Determine promoter route: (a) Managing Agent; (b) group entity of Managing Agent or Member as permitted by Lloyd's; or (c) Indian Company meeting specified criteria	<input type="checkbox"/>
3	Incorporate private or public company in India with a minimum INR 500,000 paid-up capital; Provide the Memorandum of Association (MOA) and Articles of Association (AOA) of the Service Company  Provide the Name of the Service Company and CIN; Name, Legal Form and Address of Shareholders of Service Company	<input type="checkbox"/>
4	Completed Form A and Form B [ <i>Forms to be provided separately by Lloyd's IFSC as part of application pack</i> ]	<input type="checkbox"/>
5	Proposed Principal Officer to interview with Lloyd's IFSC Principal Officer.	<input type="checkbox"/>
6	Pay application fee if directed to do so by Lloyd's (see 4.5 Regulatory Fees): C. USD 1,000 to USD 5,000	<input type="checkbox"/>
7	Provide Provisional Letter of Allotment from the designated developer for the relevant premises	<input type="checkbox"/>
8	Provide evidence of paid-up equity capital [ <i>To be provided subsequently, once bank account opened</i> ]	<input type="checkbox"/>
9	Name and details of the bank account/s [ <i>To be provided subsequently, once bank account opened</i> ]	<input type="checkbox"/>
10	Complete the undertaking per Section 9(4) of Sch II IFSCA Regs 2021 [ <i>Lloyd's IFSC will provide a draft</i> ]	<input type="checkbox"/>

#	Action Item	Status
11	<p>Complete an undertaking from the Service Company and Syndicate on requisite Compliances including acknowledgement of the irrevocable and binding choice of:</p> <ul style="list-style-type: none"> <li>• Category of Reinsurer (either category 2 or 3 under the Order of Preference specified under the IRDAI (Re-insurance) Regulations, 2018)</li> <li>• Choice of investment regime (in accordance with reg 2(2) and 2(3) of the IFSCA (Investment by IIOs) Regulations, 2022).</li> </ul> <p><i>[ Lloyd's IFSC will provide a draft]</i></p>	<input type="checkbox"/>