

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:742
ANSWERED ON:27.02.2015
PERFORMANCE OF INSURANCE COMPANIES
Reddy Shri Ponguleti Srinivasa

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government/Insurance Regulatory and Development Authority (IRDA) has any proposal to review performance of insurance companies in the country;
- (b) if so, the details thereof; and
- (c) the steps taken/being taken by the Government/IRDA to improve the performance of insurance companies?

Answer

Minister of State in the Ministry of Finance (Shri Jayant Sinha)

(a) and (b): The Insurance Regulatory and Development Authority (IRDA) has informed that statutory functions of the Authority are enshrined in section 14 of the Insurance Regulatory and Development Authority Act, 1999 and in terms of the provisions of Section 20 of the IRDA Act, 1999 the Authority publishes Annual Report covering the review of the Life insurance industry, General Insurance Industry and Reinsurance on yearly basis which covers the following aspects besides review of Working and operations of the Insurance Regulatory and Development Authority in respect of regulation of insurance/ reinsurance companies, Intermediaries associated with insurance business etc:

Appraisal of Insurance Market,

Number and details of authorised insurers / reinsurers,

Policies and measures for development of Insurance Market,

Research & Development activities undertaken by the insurers.

(c): IRDA has further informed that the Authority in order to protect the interests of holders of insurance policies, to regulate, promote and ensure orderly growth of the insurance industry, has notified various regulations which cover regulations on solvency, Advertisements, accounting, Investments, protection of the interest of the policyholders, rural and social sector obligations.

Authority has also notified regulations on Amalgamation of Life and General Insurance Business, Opening of Place of Business, Health Insurance, Linked Insurance Products, Non-linked Insurance Products, Issuance of Capital by Life and General Insurance companies etc towards improving the performance and growth of insurance companies.