

FOREIGN DIRECT INVESTMENT TRENDS AND OPPORTUNITIES IN INSURANCE SECTOR

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ABSTRACT

The Present paper analyses the trends and growth opportunities of foreign direct investment in insurance sector. The study is based on secondary data which has been collected for the last four years starting from 2010-11 to 2014-15. Further the study explores that the future looks interesting for the life insurance industry with several changes in regulatory framework which will lead to further change in the way the industry conducts its business and engages with its customers.

Demographic factors such as growing middle class, young insurable population and growing awareness of the need for protection and retirement planning will support the growth of Indian insurance sector. Lastly the study concludes that attracting foreign direct investment has become an integral part of the economic development strategies for India. FDI has been a booming factor that has bolstered the economic life of India. Over the years FDI flow is increasing. However India has tremendous potential and government will for absorbing greater flow of FDI in the coming years.

KEYWORDS: Foreign Direct Investment, Insurance Regulatory Development Authority, Gross Domestic Product, Foreign Exchange Reserves.

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