

ROLE OF IRDA IN INSURANCE

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ABSTRACT:

Insurance is the one of the financial investment areas which gives variety of benefits to the investors. In normal investment methods either investor earns some income or sometimes suffers loss. Further, the principal invested is also at stake. Whereas in case of insurance, it gives guarantee of minimum income, principal amount is secured and also guarantees the payment of financial loss suffered by the investor due to unforeseen events. So, insurance gives multiples benefits to the investor. This facility is accessible to rich to economically downtrodden people. In this scenario, many public and private insurance companies are coming down to the market to grab the hard earned small savings of the people for investing in various financial and industrial institutions to accumulate huge wealth. These companies do business with public money. In this circumstance, it is the responsibility of the government to control and regulate these institutions to carry out their activities in orderly manner, justifying to the customers' interests and utilizing their funds for economic growth of the country. For performing this function and responsibility, a statutory and autonomous body was constituted by the government of India under the Insurance Regulatory and Development Authority Act, 1999, known as the Insurance Regulatory and Development Authority which started its business from August, 2000. As the title itself indicates its role in insurance, one is regulating the insurance industry and the other is developing the insurance industry. In this research, efforts are made to describe the role played by it or how it works to achieve said objectives.

KEY WORDS: 1. Insurer 2. Intermediaries 3. IGMS 4. Ombudsman 5. IFSC
6. RMS 7. Surveyors 8. ETASS
