

Insurance Sector

4.47 Reforms in the insurance sector commenced with the enactment of the Insurance Regulatory and Development Authority Act 1999, which facilitated the entry of private insurance companies into the Indian insurance market. The Insurance Regulatory and Development Authority (IRDA) was set up on April 19, 2000 to protect the interest of the holders of insurance policies, and to regulate, promote and ensure orderly growth of the insurance industry. Ten life insurance companies and six general insurance companies have been granted certificate of registration, out of which 12 companies have commenced business. The capital base of private insurance companies and

its comparison with that of General Insurance Corporation of India (GIC) and its subsidiaries as on March 31, 2001 is given in Table 4.13.

TABLE 4.13	
Capital Base of Insurance Companies	
(Paid up Capital and Free Reserves)	
	(Rs. Crore)
GIC	2,662.04
National	1,052.93
New India	3,066.28
Oriental	918.86
United India	1,177.63
Private Companies*	1,862.50
* Only paid up capital	