

UNIT 2 - History of Indian Insurance Industry



1st company to offer Life Insurance was Amicable Society

- Location – London
- Year of Establishment – 1706
- Founder – William Talbot and Sir Thomas Allen

Following types of Insurance:

- **Self Insurance**- Where risk is not transferred to insurance companies and alone retained by the entities or individuals themselves
- **Co-insurance** – Risk shared between insurers
- **Dual – Insurance** – where risks having two or more policies with same coverage
- **Reinsurance** - Situations when insurer passes some part of or all risk to another insurer

History:

1. In 1818 Oriental Life Insurance company was started

- Location-Kolkata
- Founder – Anita Bhavsar

2. 1st Indian Insurer was Bombay Mutual Life Assurance Society

- Year Of Establishment – 1870

3. In 1912 ,The Life Insurance companies act and Provident Fund act were passed

4. The oldest existing insurance company in india is NIC (National Insurance Company)

Year of Establishment – 1906

5. In 1972 GIB act (General Insurance Business) was passed by parliament

- In 1973 GIB was nationalised
- At the time of nationalisation of GIB 107 insurer were amalgamated and grouped into four companies namely:
 1. NICL (National insurance company ltd.)
 2. NIA (New India Assurance company ltd.)
 3. OICL (Orientel insurance company ltd.)
 4. UIICL(United India insurance company ltd.)

IRDA (Insurance Regulatory and Development Authority of India):

- In 1999 IRDA act was passed on recommendation of malhotra committee
- Older name – Insurance Regulatory and Development Authority
- Chainman – T.S Vijayan
- Headquarters – Hyderabad,Telangana

IR (Insurance Repository) :

- Insurance Repository is a company registered under companies act, 1956.
- IR has been granted a certificate of registration by IRDA.
- Its function is to maintain data of insurance policies in Electronic form

There are 5- Insurance Repositories:

1. NSDL database management ltd.(National Securities Depository Ltd.)
2. Central Insurance repository ltd.
3. SHCIL projects ltd. (Stock holding corporation of India)
4. Karvy Insurance repository ltd.
5. CAMS repository services ltd.

Some Important Insurance companies and their Headquarters:

1. LIC (Life Insurance Corporation of India)

- Chairman – S.K Roy
- Headquarters – Mumbai
- Older name of LIC – HIS (Hindustan Insurance society)
- LIC is a state owned insurance group and investment company
- LIC is the largest Insurance company in India with (US \$ 250 bn) asset value

2. GIC (General Insurance corporation of India)

- Headquarter – Mumbai
- Chairman – A.K Roy
- GIC of India is the Reinsurance company in India (GIC Re)

3. NICL (National Insurance company ltd.)

- Headquarter- Kolkata, West Bengal
- Founded – 1906
- Nationalised – 1972
- CMD – A,V Girija & K.P Brahma
- Fully Central Gov. Owned

4. NIA (New India Assurance)

- Headquarter- Mumbai
- Founded – 1919
- Nationalised – 1973
- CMD – G Srinivasan

5. OICL (Oriental Insurance Company ltd.)

- Headquarter- New Delhi

- CMD –A.K Saxena

6. UIICL (United India Insurance company ltd.)

- Headquarter – Chennai
- CMD – Milind Kharat

This post was written by Vivek Pant, Quantitative Aptitude faculty from Delhi.

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