

The Study on the Risk Management in the Insurance Sector

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Abstract: *In order to safeguard the interests of investors and their financial assets, general insurance companies have implemented extensive risk management measures over time. The Indian general insurance market's potential and the subsequent attention of participants on achieving business expansion are currently the most crucial considerations for the general insurance industry. The second factor is the continuous process of calibrated de-tariffing. De-tariffing has provided players with many options to access markets and may potentially result in further prospects in the future. However, it has also placed the onus of ensuring equitable pricing on the players themselves. As a result, players in the industry are now more adept at identifying risk indicators and determining the cost of products based on those risks. The players have reduced the prices, even in previously unprofitable businesses, as an initial response to the competitive environment of a free market. The general insurance market places significant emphasis on competent risk assessment and management due to the emergence of private players, regulatory changes, the existence of unprofitable books, and the erosion of capital caused by unsustainable claim ratios.*

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