



**CORPORATE GOVERNANCE WITH REFERENCETO INSURANCE
INDUSTARY**

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ABSTRACT

Demand for value driven transparent management and control are gaining increasing significance and are increasingly significantly to both national and international investors. These are intended to promote and intensify the trust of investors, employees, business partners and public. The emergence of Insurance Companies as a part of financial conglomerates and as a key player in the financial sector has added an additional emphasis on the need for good governance practices to be followed by the insurers to protect the interests of the policy holders and other stakeholders. Corporate governance refers to the manner in which boards of directors and senior management oversee the insurers' business. It encompasses the means by which members of the board and senior management are held accountable and responsible for their actions. Corporate governance includes corporate discipline, transparency, independence, accountability, responsibility, fairness and social responsibility. Timely and accurate disclosure on all material matters regarding the insurer, including the financial situation, performance, ownership and governance arrangements, is part of a corporate governance framework. This paper describes the role of Board of directors and their level of competence and to ascertain whether they have the appropriate ability and integrity to conduct insurance business, taking account of potential conflicts of interests. Appropriate ability can generally be judged from the level of a person's professional or formal qualifications or relevant experience within the insurance and financial industries or other related businesses.