

**Speech of Shri M. Ramadoss, President, Insurance Institute of India
at the 106th Council Meeting at Lucknow on 24th April, 2010**



Dear Council Members and other dignitaries present here,

I welcome you all to the 106th Council Meeting of the Insurance Institute of India, being held at Lucknow. The hosts for this meeting, Lucknow Insurance Institute is one of the oldest Associated Institutes of the Insurance Institute of India. It had been established in the year 1961. It has on its roll about 4,000 members. They have the distinction of having conducted in the past 2 Annual Conferences of the Insurance Institute of India in the years 1985 and 2001. It is for the first time they are hosting the Council meeting. On behalf of Insurance Institute of India, I take this opportunity to convey our thanks to Lucknow Insurance Institute for having volunteered to host this Council meeting under their auspices.

Lucknow is a city of historic importance, popularly known as The City of Nawabs. It is the capital city of Uttar Pradesh, the most populous State of India. Located in what was historically known as “Awadh”, Lucknow has always been a multi-cultural city. We are indeed proud to have our meeting in this historical city and I am sure that all the Council members will enjoy their stay here and carry pleasant memories when they return home.

It is for the first time I am addressing you after I have taken charge as the President of the Insurance Institute of India. As you are aware I was elected as the President of the Institute at the 54th Annual Conference held at Agra on 16th September, 2009. When I was elected as the President, I was the Chairman-cum-Managing Director of the Oriental Insurance Company Limited, New Delhi. Subsequently, I became the Chairman-cum-Managing Director of the New India Assurance Company Limited, Mumbai. I am proud to be a Fellow member of the Insurance Institute of India.

The Insurance Institute of India has played a pivotal role in conducting Pre-recruitment Exam for Insurance Agents. Looking at its capability, the Insurance Institute of India was entrusted with the responsibility of conducting the exam. In the year 2008-09, a total of 28 lakh candidates had registered. In the year 2009-10, the number has come down to 23 lakhs. The reduction in numbers may be attributed to the fact that

Insurance companies were in a consolidation mode. The recruitment of agents was also affected due to the initial hiccups in launch of I R D A portal. But there has been significant impact on the revenues of Insurance Institute of India, due to shift of candidates to online examination. The expense for the conduct of examinations have gone up significantly.

With the launch of I R D A licencing portal, the system of training, examination and licencing has got integrated. A large part of processes have been automated. The entire examination system will be outsourced in due course. This has given breathing space to the core team of the Institute. It is time to return to core activities of the insurance institute. It is time to become a professional institute in the true sense, rather than just remaining an examining body. We need to ask ourselves the question that, “Are we really ready to transform our institute into a professional body, which is respected not only by our own members, but the other stakeholders in the industry including the I R D A?”

The spirit of professionalism goes beyond obtaining a diploma. It is not only to serve the insured community, but the entire population which is insurable. It is necessary for us, professionals, to serve those who depend on us for advice, with integrity and honesty. A professional delivers “service and advice” to the one who seeks it.

The Institute has started an exercise in updating of the syllabus and revamping the examination system. Two committees are working on these issues. An announcement to this effect will be made shortly.

But going beyond the examination and syllabus, there is an urgent need to evolve a Continuous Professional Development programme. The C P D programme is essential for Insurance professionals to broaden their mental horizon, for a better understanding of socio-economic-cultural milieu in which this profession is operating. It is high time ethos and perspective of the insurance professionals is changed to serve better, the needs of the insured community and the uninsured society at large.

The C P D scheme will apply to all current members. But the current members will participate only if there is an incentive for them to participate in C P D. When, I say incentive I don't mean only monetary incentive. This raises a question whether the current members feel proud and elevated that they belong to this mighty professional Insurance Institute.

All professional bodies celebrate the professionalism of their members through annual events. They celebrate the success and joy of its members. Along with C P D these activities of celebration need to be taken up at local as well as national level.

A scheme for financial assistance to associated institutes for organizing seminars and research projects has been finalized recently. Associated Institutes need to take advantage of the scheme and reestablish themselves in the professional arena.

While at the issue of rejuvenating Associated Institutes, a meeting of some of the local Institutes was called at Mumbai. Virtually all the recommendations of the committee are getting implemented. Between Agra Conference and today –

1. Subsidy for purchase of computer by associated institutes has been increased.
2. Reimbursement for examination related work to Associated Institutes has been substantially revised.
3. Invigilators fee for examination work has been revised.
4. A revised formulae for payment of subsidy is being discussed in today's Council meeting.

While at this issue, I must say that it is high time that the associated institutes must move from being mere form collection centres and sale points for study material, to vibrant professional bodies. There is need to bring professionalism in the affairs of the associated institutes. Now the focus of the associated institutes must be on organising

seminars, running coaching classes, conducting surveys and doing research work, arranging convocation for their fellows, etc.

I must mention the names of Indore Insurance Institute and Indian Insurance Institute of Kolkata for arranging convocations; Indian Insurance Society, Kolkata and Visakhapatnam Insurance Institute for conducting National seminars. I must say these are the institutes whose examples must be emulated.

The scheme for honouring the best institute is getting revamped and the details of the scheme will be soon shared with you.

One more aspect of the activities of Insurance Institute of India needs to be focussed, the College of Insurance. Recently Shri P.K. Rath has joined as Director - Academics. The College of Insurance needs to move to a leadership position in insurance education. I am sure that Shri Rath will come out with plans to upgrade the level of the College of Insurance. It must convert into a place for research, dissemination of information and trends for the Industry and leadership development in the Industry.

One encouraging trend that is noticed is that the number of candidates appearing for the professional examination of the Institute is increasing steadily. A statistical data which I got indicates that the number of candidates registered for November, 2009

examination was over 37,000 as compared to a little over 26,000 in November, 2005 which shows a growth rate of about 42% over a period of 4 years. In order to ensure that the same growth level is continued in future, the Institute's examinations should be relevant and according to the needs of the Industry. I also feel that marketing is necessary to make our examinations popular and take it to un-tapped areas. As I said in my address at Agra, the insurance awareness in India is still very poor, particularly, General Insurance. This could be a potential area of activity for the College of Insurance and the Associated Institutes.

The fees charged for the examinations of the Institute, I am sure, must be cheaper compared to what other institutions like us are charging. Therefore, I feel there is a need to revise the fees for various activities of the examinations of the Institute. A proposal to revise the fees is in the agenda of this Council meeting. I am hopeful that the Council members will find the proposal reasonable and give a nod for its implementation. I hope we will have a purposeful deliberations in this meeting for the betterment and growth of the Insurance Institute of India and its associated institutes.

The Insurance Institute of India is more than 50 years old now. It needs to redefine its activities to be at par with similar institutions. With a sound financial position, the Institute can now invest its funds in activities that will make the Institute a robust and resourceful service provider to the Insurance Industry. With the new building

for the Institute, I hope new thoughts will emerge that will take the Institute to further heights. Insurance Institute of India should play an active role for supply of talented and skilled people for the insurance industry not only in India but for the entire Afro Asian Region. I take this opportunity to acknowledge the support the Institute received from the Insurance Industry, both private and public sector. We hope to have the same kind of support from them in future also. I also take this opportunity to thank all the experts who have been assisting the Institute in various capacities. I seek their continued support to discharge my responsibilities as the President of the Insurance Institute of India.

Before I conclude my speech, let me once again thank the Chairman, Secretary and other members of Lucknow Insurance Institute for the excellent arrangement they have made to make this event a success.

Thank you.