

# **PRESIDENT'S ADDRESS**



**SHRI M. RAMADOSS**  
**President, Insurance Institute of India**

**at the**  
**55<sup>TH</sup> ANNUAL CONFERENCE**

**At VISAKHAPATNAM**

**On 4<sup>TH</sup> SEPTEMBER, 2010**



**INSURANCE INSTITUTE OF INDIA**  
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## **President's Address at the Fifty-Fifth Annual Conference**

Respected Chief Guest Prof. Satyanarayana, Council members, Secretaries from different associated institutes and other dignitaries,

I extend a warm welcome to all of you to the 55<sup>th</sup> annual conference of the Insurance Institute of India being held in Visakhapatnam, the city endowed with beautiful beaches, stunning scenic landscape and a rich cultural heritage. Visakhapatnam, or Vizag as it was often called, is the best tourism destination in Andhra Pradesh. From Lakes to cool Beaches, from beautiful Hill Ranges to Caves and Valleys, Visakhapatnam has them all.

We are grateful to the chief guest, Prof. Satyanarayana, Vice-Chancellor, AP Law University for accepting our invitation to be the chief guest and be here with us and inaugurate the annual conference of the Institute. The AP Law University is recognized by the Bar Council of India, New Delhi. It was established in the year 2008 and he is its first Vice-Chancellor. Born on 21<sup>st</sup> December 1949, Prof. Yamala Satyanarayana did his B.Com., from Bangalore University, LL.B from Delhi University, LL.M of Osmania University and Ph.d of Andhra University, truly from variety of Universities. He served in Indian Air force from 1968 to 1983. His area of specialization includes Constitutional law, Administrative Law and Tax Laws. He has been in teaching line for 25 years. Received 'Best Teacher Award – 2008' by the Govt. of Andhra Pradesh and 'Best Researcher' award from Andhra University. He has presented several papers, guided many Researchers and Scholars. Attended several seminars. He is a member, Academic Senate, Andhra University and Chairman, Faculty of Law. We are indeed proud to have an apt personality to be our Chief Guest today.

The Insurance Institute of India was established in the year 1955 in the name of Federation of Insurance Institutes, when the insurance industry in the country was much smaller than what it is today. The Institute has witnessed a lot of changes ever since. Subsequent to nationalization of life insurance business in 1956, when Life Insurance Corporation of India came into being, the insurance industry was partially nationalized and became fully nationalized in 1973 when the general insurance business was also nationalized. Federation of Insurance Institutes became Insurance Institute of India in 1987. Again in 2000 the insurance industry was liberalized and we have now public-private participation.

Despite the changes, the Institute remains as the leading educational and examination service provider to the insurance industry in the country for over 55 years. The Institute continued to lead the industry in India. Our core professional qualifications, Associate and Fellowship, remain of vital importance to the industry and we are constantly striving to improve upon our service and quality.

***Actions initiated***

Recently we have formed different committees for updating and revising Syllabus and Curriculum for the examinations, to reinforce and restructure the training programmes of its College of Insurance and to revamp and introduce changes in its examination systems. We understand that an ongoing process of change is of paramount importance to remain competitive in the changing industry. Technology innovations changed the method in teaching, training and conducting examinations and undergo changes faster than ever before. The Insurance Institute of India is conscious of these changes and taking care to make it as one of the best educational provider.

The Institute wants to shift from being a mere examination body to various multifarious activities like producing customized courses for the corporate customers. There is a growing demand for education that not only fulfill compliance and regulatory needs and set high standards of employee knowledge and skill, but also include company specific product content. The Institute is the best-positioned organization to meet the educational needs of the companies and often being called upon to do so. We are trying to capitalize the demand for better growth of both the insurance industry and the Institute.

### ***New Building of the Institute***

The long cherished dream of the Institute of having its own building for its office and College got fulfilled recently. The Finance Minister, Government of India in the presence of the Chief Minister of Maharashtra State, inaugurated the new building at Bandra Kurla complex a prestigious address in Mumbai, on 8th June 2010, CEOs of many Insurance companies and other dignitaries. The office of the Institute and College of Insurance is already moved to the new building. Having its own building definitely will help the Institute to undertake many activities, particularly the training area, because of availability of spacious lecture halls and well furnished hostel rooms.

### ***Plans ahead***

For a professional educational body like Insurance Institute of India, excellence in service is of great importance. It should strive to promote professional standards and be a guiding body to the insurance and financial industries. We aim to be the preferred choice for insurance education and training and therefore, we will ensure that we provide quality and relevant education and training programmes with the right expertise and resources. We are also active in promoting insurance education through strategic collaborations with other renowned international bodies and industry members so as to be in full alignment to the ever-changing needs of the industry.

We are an examining and training body and it is very important that we meet the needs of the insurance industry. No doubt with over 55 years of its presence in the Country, the I.I.I stands tall among all. As the world has changed in various spheres, we also need to change and adopt modern technology in every walk of its working and delivery mechanism. Expectation of the present generation is quick action and quick result.

I am glad to inform the members that the I.I.I has already started the initiatives in this direction. Our web site is being upgraded and facilities for online registration for examinations, payments, checking results etc have been provided. More importantly, very soon we are planning to have online examinations.

Another important activity towards progress and expansion and also as a strategy for future plan, the Institute proposes to buy land / buildings in major cities to open regional centers. It is high time that we should think of making structural reforms in the Institute. A discussion paper on the agenda of the 55<sup>th</sup> annual conference is placed on this subject. Members may think seriously on this subject and give a considered opinion. The need for a revised structure felt necessary now that the activities are expanded as well as to have a sustained growth and control over the affairs of the Institute.

New syllabus for the Licentiate examination will be introduced from November,2010 examination with new study books. We have introduced a new subject in the Licentiate examination on 'Regulation of Insurance Business' with study book. Pattern of question paper for the Licentiate examination also changed with mixture of subjective type and objective type questions.

### ***Continuous Professional Development***

Since I took charge as the President of the I.I.I, I have been advocating that we should introduce Continuous Professional Development Programmed, popularly known as CPD. You will find a paper on this subject as one of the items on the agenda of this annual conference for discussion. Other Institutes similar to I.I.I have CPD programmes which help the members to update their knowledge on what is happening around. This I feel is necessary for I.I.I to introduce.

### ***Financial performance***

The Institute's financial performance during the year shows decline in its revenue as compared to the previous year due to fall of income from examination activities and sale of study books. However, the investment as on 31st March, 2010 showed increase and stood at Rs.506.7 crores as compared to Rs.374 crores as on 31st March,2009. However, with the new activities undertaken by the Institute, particularly in training and proposed online examination it is hoped the situation will improve in 2010-11.

### ***Role of Associated Institutes***

It is disturbing to note that out of 91 associated institutes of the Insurance Institute of India, more than 30 institutes do not function. They do not submit accounts and report their activities to I.I.I., which stands in the way of extending financial and other benefits to such institutes by I.I.I. The list of such non-functional associated institutes includes some major ones. This subject was discussed in the meeting held at Lucknow. Though such institutes could be disassociated, it was suggested to give some more opportunity and try to revive. I am happy to say that our effort was successful in revival

of Jalandhar Insurance Institute, which was one of the institutes that was not functioning as per the norms. Through the efforts taken by I.I.I., the institute is now functioning satisfactorily under a new body of members. In this context, we place on record the assistance and support extended to I.I.I by the Senior Divisional Manager, LIC of India, Jalandhar and willingness of the members of Jalandhar Insurance Institute to shoulder the responsibility of running the institute.

We have now taken up the revival of Madras Insurance Institute, a major institute. This institute does not have any elected body since 1996 and no one from the institute was attending the annual conferences. Towards revival of the Madras Insurance Institute, it is proposed to form an ad-hoc committee with the support of CMD of United India Insurance Co. Chennai and Zonal Manager, LIC of India, South Zone. An item is placed on agenda of this council meeting seeking its approval regarding formation of the ad-hoc committee and authorizing it to take appropriate steps to bring the affairs and working of the Madras Insurance Institute to normal. To take appropriate and speedy action on dormant associated institutes, it is also proposed to authorize the President and the Secretary General of I.I.I to take remedial action for revival of such institutes. In this connection it is proposed to pass a Resolution by the Council which will be taken up at the business session of the Council meeting tomorrow, on 5<sup>th</sup> September, 2010.

### ***Benefits to the Associated Institutes***

As decided in the council meeting held at Lucknow, enhancement of financial benefits by the I.I.I to the associated institutes have been implemented for various activities. The best institute prize amount has been doubled, life membership prize amounts have been increased, prize amount for the essay competitions have been increased, membership subsidy amount has been substantially increased, amount for examination activities have been increased. It is my belief that those institutes performing well can earn well and it is a reality, I see some institutes, though not big do undertake useful activities. To cite an example, we extended the scheme of 'Insurance Institute of India Accredited Learning Centre' (IIIALC) to the associated institutes. The sole response received was actually not from one of the big institutes. It is sad that none of the bigger institutes responded to the scheme.

While it is our intention to upgrade the associated institutes and make their activities more vibrant, the response is very poor or rather nil. It is again painful that none of the associated institutes showed their interest in conducting International Seminars, National Seminars and Local Seminars, when we gave them an opportunity for the same. The members from the associated institutes may give serious thought on such matters and come forward with proposal to make your institute more important. We can have such members in the working committee who can devote time and labour for the institute's activities. There is no dearth for opportunities; when they do not come on their own, we have to explore and locate them.

## **Conclusion**

Before I conclude my address let me thank the members on the council of the I.I.I, on different committees and sub-committees, examination paper setters, examiners, members of editorial board of the Journal of the Institute and others who are directly or indirectly assisting the I.I.I. in different ways. Without their support and guidance, it would not have been possible for me to discharge my responsibility as President. Sri Sharad Shrivastva, the Secretary General of the Institute has been doing marvelous job to the Institute in his short span of time. We will need your support too in our mission to fulfill the objectives of the Institute.

Let me thank the Chairman of the Visakhapatnam Insurance Institute and the members for the good work done to host this conference here.

Thank you.

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