

60 years of Insurance  
Education & Training



**Diamond Jubilee**  
[1955 - 2015]

# Insurance Institute of India

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***i-Think** Monthly Magazine – December 2014*

## Editorial

Dear Friends,

As we write this, the sun is slowly setting on 2014 and the world is getting ready to welcome yet another year. What would 2015 bring that is new and different? Would it see a wave of economic upsurge and optimism? Would it be marred by disasters – nature or manmade? Only time will tell.

One interesting feature of the new year - it is the diamond jubilee year of the Insurance Institute of India. The institute has planned an elaborate program to be carried out through our various local institutes that are spread out along the length and breadth of India. The program would include awareness campaigns about insurance through schools and colleges; organization of seminars, including in partnership with other local institutions; seminars involving agents and sales professionals in insurance and other activities. The institute also would like to bring out a compendium of well researched papers to mark the occasion and the themes have already been intimated separately.

We take the opportunity to invite you to connect with us and participate in these celebrations.

Insurance Institute of India belongs to you. We would like you to be an active part of it. We hope the pages of i-Think is and will continue to be a good platform for continuing our dialogue and association

Editorial team  
i-Think

## Thought for the month

### Three Ways...

*There are three ways by which man has sought to make a livelihood. The first was the way of the hunter or the fisherman. You laid your snare or cast your net out wide and caught whoever happened to come in. The second way was that of the farmer. You carefully prepared the soil and planted the seed, then watered it and nurtured it with love, until it began to sprout and gave you its bounty. The third way, relatively more recent, has been that of the manufacturer. The watchword here is speed and efficiency - fast tracking the production process to reach out to consumers in a cost effective way.*

*Each of these ways has played a significant role in the journey of man.*

*What happens when you use these ways to find customers for insurance products?*

*The hunter / fisherman would have a 'funnel' approach - you flit among a hundred suspects to snare one customer. The way of the farmer would be to cultivate a deep relationship with each customer from first handshake to hand holding to aligning of head and heart and finally to partnership. The manufacturing approach would seek to fast track the process so that turnover is maximized.*

*Which way would be the best?*

*Ultimately, it comes down to one question - should we be smart or wise? And if you say we have to be both, what is the right mix of these?*

*The whole question of Selling competence perhaps hinges on these questions*

**Dr. Shashidharan Kutty**  
**Consultant,**  
**Insurance Institute of India**

## Importance of Month – December

*December was originally the tenth month of the year in the Roman calendar. It gets its name from the Latin word "decem" which means tenth. However, when the Romans added January and February to the calendar, it became the twelfth month. They still kept the name, though. December is the twelfth and last month of the year in the Julian and Gregorian Calendars. It is one of seven months with the length of 31 days.*

*Season (Northern Hemisphere): Winter*

*Symbols of December*

- *Birthstone: Turquoise, zircon, or tanzanite*
- *Flower: Narcissus or Holly*
- *Zodiac signs: Sagittarius or Capricorn*

*December in Other Languages*

- *Chinese (Mandarin) - shí'èryuè*
- *Danish - december*
- *French - décembre*
- *Italian - dicembre*
- *Latin - December*
- *Spanish - diciembre*

*Historical Names:*

- *Roman: December*
- *Saxon: Giuli*



- **Germanic: Heil-mond (Holy month)**

<b>Sr No</b>	<b>Event</b>	<b>Date</b>
1	<i>The traditional Birth Day of Jesus Christ.</i>	5 BC - 25 December
2	<i>East India company is formed in England. Gets exclusive trading rights with India</i>	31 December 1600
3	<i>The first edition of the Encyclopedia Britannica is published</i>	6 December 1768
4	<i>Napoleon Bonaparte is crowned as the first Emperor of France in a thousand years.</i>	2 December 1804
5	<i>The first traffic lights are installed outside the Houses of Parliament in London.</i>	10 December 1868
6	<i>Thomas Edison first demonstrates incandescent light</i>	31 December 1879
7	<i>Indian National Congress Established</i>	28 December 1885
8	<i>Khudiram Bose is born (to 1908)</i>	3 December 1889
9	<i>Thomas Edison patents the radio.</i>	29 December 1891
10	<i>The first Nobel Prizes are awarded.</i>	10 December 1901
11	<i>Muslim League formed in Dacca</i>	30 December 1906
12	<i>Jugantar formed</i>	December 1906
13	<i>British government change capital city from Calcutta to Delhi</i>	12 December 1911
14	<i>Albert Einstein publishes the General Theory of Relativity</i>	16 December 1915
15	<i>FM (frequency modulation) radio is patented.</i>	26 December 1933
16	<i>Pearl Harbor is attacked by the Japanese Navy. This causes the US to enter WWII.</i>	7 December 1941
17	<i>The transistor is first demonstrated at Bell Laboratories</i>	23 December 1947
18	<i>The first successful human kidney transplant is performed by Dr. Joseph E. Murray</i>	23 December 1954
19	<i>Suicide squad attacks parliament in New Delhi, killing several police. The five gunmen die in the assault.</i>	December 2001
20	<i>India imposes sanctions against Pakistan, to force it to take action against two Kashmir militant groups blamed for the suicide attack on parliament. Pakistan retaliates with similar sanctions, and bans the groups in January.</i>	December 2001
21	<i>India, Pakistan mass troops on common border amid mounting fears of a looming war.</i>	December 2001
22	<i>India, Pakistan agrees to resume direct air links and to allow over flights.</i>	December 2003
23	<i>Thousands are killed when tsunami tidal waves, caused by the 2004 Indian Ocean earthquake off the Indonesian coast, devastate coastal communities in the south and in the Andaman and Nicobar Islands.</i>	December 2004
24	<i>Microsoft's Xbox 360 is launched in Europe.</i>	2 December 2005
25	<i>India announces "pause" in peace process with Pakistan. Indian cricket team cancels planned tour of Pakistan.</i>	December 2008
26	<i>World AIDS Day</i>	1 December
27	<i>World Disabled Day</i>	3 December
28	<i>International Day of Broadcasting, Human Rights Day</i>	10 December
29	<i>Minorities Rights Day</i>	18 December
30	<i>Farmers Day [Kisan Divas]</i>	23 December

Compiled by Mrs. Sneha Pednekar  
i-Think Member

## Life Insurance Claims

### Proof of the Pudding

*The claims are of two types under Life Insurance -Maturity and Death claims. Under Maturity come the claims arising on the date of maturity at the end of the term of the policy, Survival benefits payable on completion of a certain number of years in policies like Money-back, Cash-back etc. and Discounted claims payable within a year of maturity. Under Death claims come Accident claims, suicide claims and natural catastrophic claims like floods, tremors etc. Under Death claims again, there are two groups-Early and Non-early, the Early ones being the claims that have arisen within two or three years of taking the policy or effecting a policy revival and Non-early claims being the ones that arise after two or three years after taking the policy or after effecting the revival. I have mentioned two or three years because some life insurance companies treat their early claims accordingly.*

#### **Why these formalities?**

*Life Insurance is guided by the Principle of Utmost Good Faith meaning the Insurer and the Insured have to reveal all facts about the Insured's health, details regarding his/her personal and family details including the treatments undergone, if any, within the last five years or more to the Insurer. Similarly the Insurer too is expected to inform the Proposer about all the Terms and Conditions of the Policy.*

#### **A Few Case Studies**

*Instead of explaining the role of the Insurer and the Insured in adhering to the letter and spirit of what has been mentioned above, it will be interesting to cite a few case studies taken from the Book of the Decisions and the Judgments pronounced by Insurance Ombudsmen in India not revealing the name of the claimant as well as the name of the Insurer for obvious reasons.*

#### **Principle of Utmost Good Faith**

*While filling up the proposal for insurance, the Assured had not mentioned the fact that he was hospitalized for Ischemic Heart Disease, high blood pressure and Diabetes three years prior to filling up the form. The Assured died due to a sudden heart attack within a month of taking the policy. This non-disclosure being very material to assessing the risk, the death claim was rejected by the Insurer and was upheld by the Insurance Ombudsman.*

#### **Educational Qualifications & Employment Details**

*Not only the health details as mentioned in the above case, even other important information regarding educational qualification and employment have to be correctly stated.*

*While filling up the proposal form, the life assured had mentioned that he had passed B.A. and was working with George Music with the nature of duties as Clerical and music. However during investigation, it was found out that he was only a 9th standard pass and he was only on contract duty and not on permanent employment and he was a free-lancer playing the Band whenever he was called to perform at George Music. In view of these contradictions which are vital for assessing the risk properly, this early claim too was rejected by the Insurer.*

*This shows the importance of mentioning all the informations correctly while taking out a policy.*

#### **A Healing touch to the Bleeding Hearts**

*The proof of the pudding is in the eating.*

*Similarly in life insurance also, the real test comes only at the time of claims, especially death claims. At least during Maturity claims, the Proposer is alive to take care of the requirements and satisfy the Insurer. But at the time of the death claim, the bread-winner is not there and the claimant-wife or children have to bear the brunt. Although it is the bounden duty of the Proposer to reveal all material facts properly in the proposal form, it is equally the responsibility of the Agent to scrupulously guide the Proposer at the time of filling up the form. It is also enjoined on the Insurer to approach the claimant with the utmost empathy in view of the*



*tragedy, call for all requirements together in time and process the papers expeditiously and convey the decision. It is the duty of the Insurer to use maximum discretion to give a healing touch to the bleeding heart and a soothing touch to the weeping heart. Then only the real purpose of insurance is well served.*

**R. Venugopal**  
*Retired Executive Director, LIC*

## **General Insurance Market**

### **Certain requirements of current critical insurance industry: as viewed from the non-life market operations**

#### **1. Introduction :**

*The GENERAL INSURANCE MARKET has already expanded into the online, mobile, and retail / social worlds. But the key to success hasn't changed till date since the old days of traditional, brick-and-mortar business or even during the days of monopoly market. It's still about service – from the insurers' side the requirement is that they must be able to deliver quality service that meets customer expectations. IT / Web Commerce Applications helped the insurers to achieve success, allowing them to market, interact, and transact across multiple channels in a predictable, consistent, and personalized manner.*

*The current general insurance market provides us the following considerations:*

- 1. The insurance expansion now focuses on online transactions.*
- 2. Indian customers' preference is resting on price.*
- 3. Good claims experience builds loyalty.*
- 4. Customers really respond to cross-selling.*
- 5. Insurers can't influence customer retention.*

#### **2. Five Basic Requirements of Current Market:**

- 1. Channel Amplification – Develop the right mixes of assisted & self-service channels to provide rich, unified and consistent insurance products befitting the customers' requirement.*
- 2. Service Accessibility – Incorporate technologies which can make insurance accessible for a broader base of population.*
- 3. Customer Serviceability – Develop a responsive, reliable and competent service model, accessible via various channels that continuously take feed-back and improve.*
- 4. Data privacy & Security – Protect the identity of the customer and ensure appropriate mechanism and established to proactively guard against internal and external misuse of customer information.*
- 5. Simplified Process – Make insurance process sophisticated, yet simple, in terms of underwriting / claims process & service.*

#### **3. Current Requirements of Reforms in Regulations:**

*The Indian insurance industry is coming of age and in terms of the regulatory framework, now the regulator must focus on the next generation issues as far as insurance regulation is concerned. Most of the building blocks of the so called current generation range are more or less in place, so Indian Regulator needs now focus on these present regulation requirement issues – the requirement in the entire architecture in terms of governance, the architecture in deciding the principles, guidelines, specific instructions in terms of insurers' disclosures, the requirements that IRDA had decided to keep in place in terms of calculation of economic capital.*

*All these issues of current implementation & further requirements of regulatory norms are very much important now in the context of all the Indian insurance companies which are facing the market & public after completing their more than a decade's exposures and experience. Given the high penetration of banking products, bancassurance could be the most important channel for General Insurers to rapidly acquire new customers. The IPO guidelines that are framed in consultation of SEBI, need to be in place thoroughly.*

#### 4. Requirements of Data Warehousing and Effective Data Management By Indian Insurers:

For the exact efficiency, efficacy, effectiveness and ensuring governance of insurance market we need to admit that in today's business climate, we really need and expect right information at our fingertips, whenever needed. We therefore require a resilient, scalable warehousing of data solution that could recognize and consolidate our data and ensure that we could access and manage data easily. While insurers increasingly acknowledge the importance of data warehousing and the explicit role of data – both big and small, that plays havoc in insurance business – but as it appears insurers in India are less inclined to manage it effectively. Here a recent research showed 74 percent of insurance executives said that information will be a main source of competitive differentiation while 80% cited the ability to collect and analysis data fast enough as the biggest data challenge. In this world of sophistication where we can provide solutions around the globe instantaneously, we are guilty of perpetuating a world of reconciliation, spreadsheets & manual accounting and estimation. Since data sources come from multiple places – even if it's not strictly big or process data, Insurers hold almost immeasurable amounts of the stuff, a commodity that offers huge opportunity. The ability to unlock insights will be the key of essence. Searching for the right data is extremely time consuming and often hamper the productivity and problem solving. Skilled employees are wasting time navigating between systems, carrying out on-the-fly analysis. Fast excess to relevant high-quality data can make the difference between a well-informed decision and a catastrophic one. Here IRDA should have a definite control over the minimum requirement of data storage by all the insurers and also ensuring the related issues of connectivity to all places of India.

**Anabil Bhattacharya,**  
**Chief Manager**  
**National Insurance Co. Ltd.**  
**Kolkata**

## Exchange Rate of Currencies

### Economics over a Burger

**How and why do you need to determine the exchange rate for two different currencies?**

**Well let's solve it over a Burger....** The determination of exchange rates is chiefly done because it is helpful in bringing the different currencies to a common platform (say the US \$) for the purpose of determining their value for international trade of goods and services and to gauge a country's contribution to the global economy by attaching proper weights.

There are **two methods of exchange rate determination**, the '**Market Exchange**' method and the '**Purchasing Power Parity**' method (PPP). The Market Exchange rate is determined by the market forces and its participants, the demand/supply for/of the currency. The Market Exchange rate forms the basis for financial flows across the countries. This measurement is easier to calculate than PPP.

The other method, the PPP, tries to find the relative value of currencies through a comparison of prices for an identical item/s selling (say a burger) in the two countries. Suppose the price of a burger is \$4.80 in the US and the same sells for \$1.75 or Rs.105 in India (at market exchange rate of Rs 60 per US\$) then the Rupee could be said to be undervalued by 63.54 percent  $(4.80-1.75)/4.80 * 100$

In the year 1918, the **Swedish economist, Gustave Cassell** provided the modern PPP theory through his works. Thereafter, since 1986, the '**Big-Mac Index**', is published regularly by the '**The Economist**' newspaper which is based on the theory of PPP. Depending upon how cheap the Big-Mac (The burger from the McDonalds chain that operates in more than 120 countries) is priced in a country vis-à-vis the US prices, the currency could be said to be **undervalued**. If the Big Mac price is more in a country than what it is in the US, then currency is said to be **overvalued**. Although the Big-Mac Index has some limitations such as social choice of people being



*different in different countries, it comes handy due to the common inputs going into its preparation. We try to find whether what exactly this undervaluation \ overvaluation really means and their advantages and disadvantages.*

*The recent index shows that the currencies of the following countries are overvalued for Norway, Switzerland, Venezuela and Sweden and undervalued for India, South Africa, Egypt, and Malaysia. The Ukrainian Hryvnia is the weakest of all. The advantages of an overvalued currency are chiefly in the form of imported goods becoming cheaper, the disadvantage being that it makes exports noncompetitive. The countries with overvalued currencies will have to devise strategies to keep the exports competitive.*

*The reason behind the overvaluation of the Norwegian Krone (NOK) or the Swiss Franc (CHF) or the Swedish Krona (SEK) could be mainly because of the high current account surpluses since they export commodities like crude oil, natural gas and telecommunication equipments to other countries. Also if you look at the S&P country ratings in case of these countries they have a very high and stable (AAA) investment grade for their bonds. (The exception being Venezuela with rating B)*

*The countries with undervalued currency will find an incentive to export and earn foreign exchange and at the same time will make the imports expensive. The data also suggests that the Chinese Yuan is undervalued by 43% it means that the Chinese exports will remain highly competitive in the near future. So the next time you are with your burger, don't forget to bring the currency valuation discussion to the table.*

**Ravindra R. Muley**  
**Asst. Admn. Officer,**  
**LIC of India, Central Office**

## Swiss Re - Global Insurance Review

### Global insurance review 2014 and outlook 2015/16\_Swiss Re\_November 2014

#### **The macro environment continues to strengthen**

*Economic activity slowed in many regions into the middle of 2014 but global growth is still expected to improve modestly in 2015. The projection for slightly faster global growth in 2015 is consistent with IMF and WB forecast. These institutions both have growth increasing by about 0.5 percentage points in 2015, to 3.8 % from 3.3% this year (IMF) and to 3.4% from 2.8% (WB). The greatest downside risk is a major slowdown in the Euro area leading to a deflationary period of stagnation. The US and UK central banks are expected to begin tightening next year. Growth and rising policy rates will push government bond yields higher, especially in the US and UK.*

#### **Real gross domestic product (GDP) growth, inflation and interest rates in select regions, 2013 to 2016**

		2013	2014E	2015F	2016F
Real GDP growth, annual avg., %	US	2.2	2.3	3.3	3.2
	UK	1.7	3.0	2.5	2.6
	Euro area	-0.4	0.8	1.3	1.5
	Japan	1.5	1.5	1.2	0.9
	China	7.7	7.4	7.1	6.8
Inflation, all-items CPI, annual avg., % (monthly data refer to yoy growth)	US	1.5	1.9	2.2	2.4
	UK	2.6	1.7	1.8	1.9
	Euro area	1.3	0.5	1.1	1.4
	Japan	0.4	2.8	1.5	2.2
	China	2.6	2.1	2.6	2.9
Policy rate, year-end, %	US	0.25	0.25	1.25	3.25

	UK	0.50	0.50	1.25	2.25
	Euro area	0.25	0.05	0.05	0.05
	Japan	0.07	0.10	0.10	0.10
Yield, to-year govt bond, year-end, %	US	3.0	2.6	3.5	4.5
	UK	3.0	2.6	3.5	4.0
	Euro area	1.9	1.0	1.4	1.7
	Japan	0.7	0.5	0.6	0.9

#### E- estimates, F- Forecasts

*Economic growth in Emerging Asia is expected to remain fairly strong and stable in 2015 and 2016. Growth in the MENA region remained relatively subdued in 2014 due to lower hydrocarbon production, political uncertainty and weak external and domestic demand. A modest recovery is expected in 2015 and 2016. Growth in Central and Eastern Europe (CEE) has slowed in 2014 but it is expected to improve in 2015 and beyond. As for Sub-Saharan Africa (SSA), despite the recent slump in commodity prices, growth in most SSA countries remains strong. Latin America has entered a soft patch, but some countries are performing better than others. The macro environment in Argentina and Venezuela's continues to deteriorate.*

*The risks to global growth are tilted to the downside because the Euro area has proven to be weaker than expected. Growth could be stronger than expected, improving investment returns and insurance premium volume growth. Under the baseline, upside and downside scenarios premium growth will be close to GDP growth in the advanced economies and generally higher than GDP growth in the less developed economies, which will benefit from increased insurance penetration.*

#### **Non-life re/insurance: premiums grow, profit still weak**

##### Real growth of direct premiums written in major non-life markets and regions

Country / region	2012	2013	2014E	2015F	2016F
United State	2.3%	3.2%	2.1%	0.8%	0.6%
Canada	1.6%	2.6%	1.2%	1.1%	3.0%
Japan	3.7%	4.3%	2.5%	2.0%	2.2%
Australia	5.5%	5.7%	1.9%	3.0%	2.6%
United Kingdom	1.5%	-0.5%	1.6%	1.7%	2.4%
Germany	2.4%	2.1%	2.7%	1.4%	0.7%
France	-2.7%	0.2%	0.6%	1.4%	1.6%
Italy	-5.5%	-6.1%	-3.7%	0.8%	1.0%
Advanced markets	1.8%	1.9%	1.7%	1.4%	1.6%
Emerging markets	8.5%	8.2%	5.5%	8.1%	8.7%
World	3.0%	3.1%	2.5%	2.8%	3.2%

##### Real growth of non-life reinsurance premiums:

Region	2012	2013	2014E	2015F	2016F
Advanced markets	4.3%	0.3%	-0.5%	0.3%	1.3%
Emerging markets	-1.0%	6.6%	15.9%	-4.6%	0.5%
World	3.1%	1.7%	3.5%	-1.0%	1.1%

*Global trade credit insurance premiums are estimated to have expanded by around 2.5% to USD10.8 billion 2014, after contracting by 1.5% in 2013. Global surety premiums are estimated to have expanded by about 3.0% to USD 13.6 billion in 2014. Non-life premium growth is improving along with economic activity and price improvements in key markets.*

#### **Life re/insurance: navigating the new normal**

##### In -force real premium income growth for life insurance:

Country	2012	2013	2014E	2015F	2016F
US	2.5%	-7.1%	1.3%	2.1%	2.8%
Canada	1.9%	3.0%	3.8%	4.1%	4.1%
UK	3.8%	2.6%	3.5%	3.4%	3.3%
Japan	5.8%	-5.8%	3.5%	4.5%	2.5%
Australia	-4.4%	9.6%	20.7%	5.6%	4.1%
France	-12.3%	6.8%	3.6%	3.4%	3.3%
Germany	-0.9%	1.6%	2.2%	0.8%	0.9%
Italy	-8.4%	20.4%	19.1%	2.5%	1.7%
Spain	-11.1%	-4.3%	-8.7%	0.6%	0.6%
Netherlands	-15.3%	-5.9%	-3.3%	3.1%	3.4%
Advanced Markets	2.1%	-1.5%	3.9%	3.0%	2.8%
Emerging Markets	5.5%	4.5%	9.1%	10.4%	10.7%
world	2.6%	-0.5%	4.8%	4.3%	4.2%

#### **Real premium income growth for traditional life insurance:**

Region	2012	2013	2014E	2015F	2016F
Advanced Markets	0.6%	-0.7%	0.8%	-0.2%	-0.1%
Emerging Markets	-3.8%	5.0%	0.3%	6.7%	6.8%
world	0.3%	-0.3%	0.8%	0.3%	0.4%

*Global life insurance premiums are expected to expand by nearly 1% this year after shrinking 0.3% last year due to weakness in the advanced markets. In general, both life and non-life real premium growth will be stronger in all the major emerging market regions in 2015 and again in 2016. Emerging Asia will have stable growth at robust double-digit rates of around 13% for both sectors. Thus, the emerging markets will remain an area of interest for global players. The exceptions are perhaps Central and Eastern Europe, where premium growth will be relatively weak due to slow economic recovery and the life business in sub-Saharan Africa, excluding South Africa, because of the small size of the market.*

**Compiled by Mrs. Sneha Pednekar  
i-Think Member**

## **CRM**

### **CRM – Top Five Strategic Game Changing Trends**

*Marketers are viewing customer lifecycle management (CLM) or customer relationship management the different touch points of the marketing lifecycle, with a fresh look and interest. Increased competition and a challenging business environment force the corporations to use all their solutions to attract and retain customers. Effective customer lifecycle management enables powerful customer interaction, and this in turn directly contributes to the bottom-line, Below are the 5 steps of DDD (Design, Deliver and Delight) Journey of CLM. They represent FIVE Key Trends in 2014 that would help marketers in rolling out their CLM strategies.*

#### **1. Driving Customer Relationship Management -Depth of Analytics**

*The objective of any business solution is to maximize revenue and margin, and customer relationship management is no different. Marketers are looking to analyze in-depth the behaviours and needs that characterize their most valuable customers and their expectation to provide solutions for their changing needs, and identify the best ways of reaching them. This trend has already caught on, it soon would become the norm. The pre-requisite is the need to capture customer knowledge at every interaction, accurately. Those customers who want to be known for, and to be recognized, for past purchases make this task all the more important. Secondly every important view of the changing needs of the customer need to be captured in*

depth to enable better solutions that can work around the needs.

### **2. Introduce Loyalty programs**

*It costs eighty percent more effort to acquire a new customer than to retain an existing one, which is very challenging in the age of cut throat competition; marketers are investing huge time and effort in trying to retain their existing customers. Also, in the age where social media is playing a vital role, that can make or break and indeed can supersede all other marketing efforts, marketers would require to convert customers into brand campaigners, who can offer credible reviews and voice out their opinion through the social media. This voice out of customers will play a great role in increasing the market penetration. The way to realize such goals is to introduce loyalty programs as an incentive to the customers. Such Loyalty programs can be introduced for varied reasons as well such as long term association with the company etc.,*

### **3. Cost Benefit Analysis**

*Competitive pressures force a justification in terms of ROI In customer relationship management, the marketer must first estimate the customer lifetime value using available customer interactions, and then create a plan in place for an effective lifecycle of customer management strategy based on the perceived value the customer would provide to the enterprise.*

### **4. Focus on Customer Experience**

*Improved customer relationship management requires optimizing the customer experience at all points they interact with customers. Marketers are now trying to chalk out effective strategies to further this end, based on a combination of customer expectations and the relative value of each customer segment. That good customer engagement requires robust processes and technology is already known.*

### **5. Collaborate with Strategic Partners**

*One way of looking at Customer Lifecycle Management is Outsourcing, which is here to say, and those willing to tread this route can reap the rich benefits that comes from the tasks being undertaken by professionals qualified in their domain of expertise and also having skill by which they know what they are doing . Outsourcing related tasks to a strategic partner would allow the company to concentrate on their key business functions, without being distracted by the tremendous amount of time and effort it takes to get this critical function right.*

*Apart from the above there are other key trends picking up in the Market with great thrust forcing the corporations to understand the customer lifecycle management in depth in light of the changing technologies such as Mobile CRM, Social CRM, Smarter CRM, and CRM Integration.*

**Krishna Thammisetty**

## **Intellectual Property Rights**

### **Protection of Intellectual property rights in aid of insurance industry**

*Intellectual property rights, the rights to intangible property, giving exclusive rights to owners of the property, is a great instrument in protecting competitive advantages of the owners. . Some common types of intellectual property rights (IPR) are copyrights, patents, and industrial design rights; and the rights that protects trademarks, trade dress, and in some jurisdictions trade secrets. While Indian jurisprudence provides protection to copy rights, patents, industrial designs and trademarks, it has no legislation to protect trade secrets. The protection provided to former rights may be sufficient to most industries in the economy, but it is of little help to the insurance industry.*

*Insurance industry doesn't trade in any tangible products which can be protected by existing copyright laws. What it needs is the legislation to protect trade secrets. A trade secret is a formula, practice, process, design, instrument, pattern, or compilation of information which is not generally known or reasonably ascertainable,*



*by which a business can obtain an economic advantage over competitors or customers. There is no specific legislation in India to protect trade secrets and confidential information. Nevertheless, Indian courts have upheld trade secret protection on the basis of principles of equity, and at times, upon a common law action of breach of confidence, which in effect amounts to a breach of contractual obligation. The remedies available to the owner of trade secrets is to obtain an injunction preventing the licensee from disclosing the trade secret, return of all confidential and proprietary information and compensation for any losses suffered due to disclosure of trade secrets. In India, a person can be contractually bound not to disclose any information that is revealed to him/her in confidence. The Indian Contract Act, 1872, provides a framework of rules and regulations governing the formation and performance of a contract in India. It deals with the legality of non-compete covenants and stipulates that an agreement, which restrains anyone from carrying on a lawful profession, trade or business, is void to that extent. Section 27 of the Act implies that, to be valid, an agreement in restraint of trade must be reasonable as between the parties and consistent with the interest of the public. It is where the discretion of judiciary comes in play. For same set of clauses, different courts take different views. Again this course of action is inadequate to protect the businesses from misappropriation by parties who are not signatories to any contract with them.*

*Adoption of laws like The Economic Espionage Act 1996 enacted by United States Congress will go a long way in protecting the economic interests of the businesses, especially like those in the insurance industry, who have little else by way of protection. Sec 1832 of the Act criminalizes the misappropriation of trade secrets related to or included in a product that is produced for or placed in interstate (including international) commerce, with the knowledge or intent that the misappropriation will injure the owner of the trade secret. Penalties for violation of section 1832 are imprisonment for up to 10 years for individuals (no fines) and fines of up to US\$5 million for organizations. With the passage of the Theft of Trade Secrets Clarification Act of 2012, it now applies to products or services that are used or intended for use in interstate or foreign commerce. Same policy may be adopted for India.*

*Another method, which may be adopted, is allowing patent of business methods. At present sec 3(k) of the Indian Patent Act, 1970 doesn't allow patentability of business methods. It is ironical that while it protects inventions by all other sciences, it excludes from its scope mathematical and actuarial sciences. In the 8th edition of the International Patent Classification (IPC), which entered into force on January 1, 2006, a special subclass has been created for business methods: "G06Q" (Data processing systems or methods, specially adapted for administrative, commercial, financial, managerial, supervisory or forecasting purposes). A business method must be more than an abstract idea or theorem; otherwise it is not patentable in Canada. In order to be patentable, the business method must have a practical application. In Japan, business methods are well recognized and accepted as patentable subject matter. The legal standard used to assess whether a business method is patentable requires that inventions be "a highly advanced creation of technical ideas by which a law of nature is utilized."*

*Adoption of either of these will protect businesses in insurance industry that go through great pains in developing policies, developing marketing strategies and deciding premium rates. The competition simply copies these and steals customers from the business, who developed it in first place. This must be stopped through adopting and evolving more flexible intellectual property rights laws which cater to fast growing service sector including insurance industry.*

**Shuvajit Chakraborty**

## C K Prahalad

### C K Prahalad: The Innovation Specialist



*C K Prahalad is often hailed as the Bottom of the Pyramid guru who reinforced the message of consumer co-creation and service customization to the world. The scope of innovation is huge and credit has to go to management scholars like Prahalad who were able to show to the world the importance of looking beyond Google and Apple, the technology czars.*

*In November 2007, C K Prahalad was named the world's most influential management thinker by the Times of London. After the path-breaking innovation to meet the needs of the marginalized bottom-of-the-pyramid population, Prahalad shifted focus to customer involvement and customer co-creation.*

*The book that Prahalad co-authored with his colleague M S Krishnan [both of them taught in the University of Michigan] – “The New Age of Innovation: Driving Co-created value through global networks” (McGraw Hill Books, 2008) is often recommended for realizing the value of the customer experience.*

*Prahalad, more often than not, was way ahead of his times. In 2008, he spoke about customer experience driving value and today every industry (retail, banking, and insurance, to name a few) is talking about CEM (Customer Experience Management).*

*In the book, Prahalad and Krishnan talk about two formulas namely  $N=1$  and  $R=G$ .*

*$N=1$  signifies that value is based on unique, personalized experiences of consumers.  $R=G$  argues that as no company can hope to satisfy varied expectations of so many consumers, a company must diversify its operations. Companies should focus on accessing resources and not necessarily owning them. The book has cited examples of successful companies including some which do not believe in hogging the limelight unnecessarily.*

*Clearly, it is the examples illustrated in the book that rekindle the interest in the subject and the book. Customers of UPS had to drop off parcels at a central collection point. To make it easy for the customer, UPS decided to pick up packages from customer's homes. Thus, the focus of UPS shifted from one on business process to one on creating a unique customer experience. Madras Cements eschewed the idea of using GPS technology to track the movement of its trucks and goods and chose to give mobile phones to all its drivers. The latter were instructed to communicate their whereabouts via text messages. Using an IT infrastructure that could convert the raw data from drivers into useful insights, Madras Cements was able to track the performance of drivers. This led to savings to the tune of \$ 4 million.*

*The book quotes the example of an auto major that chose to source various parts from China. But this proved to be a hasty decision and we all know that haste is waste. The logistical problems eroded cost benefits and longer lead times affected the company's internal processes. This example illustrates the importance of stepping back and thinking about the big picture in stark contrast to capricious decisions that are solely intended to reduce costs.*

*Managers must use technology and analytics to empower a customer to co-create business solutions that serve his needs. Empowering employees to create and analyse experiences with customers can produce dramatic results. Business sustainability depends on tapping potential of IT to deliver solutions by using*



customer knowledge. This can lead to a better cost-quality trade-off.

No business can afford to take its processes for granted. Feedback about a process has to be fed back into the process design for delivering greater value. ICICI bank used Prahalad's principles for an image makeover as a bank that caters to the needs of the burgeoning Indian middle class. Bridgestone, a tire company, used technology to service its clients on tire safety, costs and durability. Execution of an innovative strategy needs a thorough knowledge of the business processes, IT and data analysis. Social capabilities and technical capabilities of a business needs to be synergized to emerge as a winner.

If we look at Gen Y and Gen Z, they all wanted to be treated specially. They are interested in being part of the process. These customers want to shape their own experiences. This is why crowd sourcing is becoming more and more popular. Connecting with customers and employees both at an emotional level as well as at an intellectual level is becoming more important. Supply chain agility depends a lot on customer engagement.

It is uncanny to think about the fact that LIC has attempted to reach nook and corner of India even during the time when there was no big noise about "Bottom of the Pyramid" or "Financial Inclusion". At the same time, it cannot be denied that consumer engagement is becoming the key differentiator in the insurance industry. The book presents a glimpse of the rapidly changing business landscape in an engaging manner.

**Prof. Venkatesh Ganapathy**  
Associate Professor,  
Presidency School of Business, Bangalore.

## Disaster Management Technology

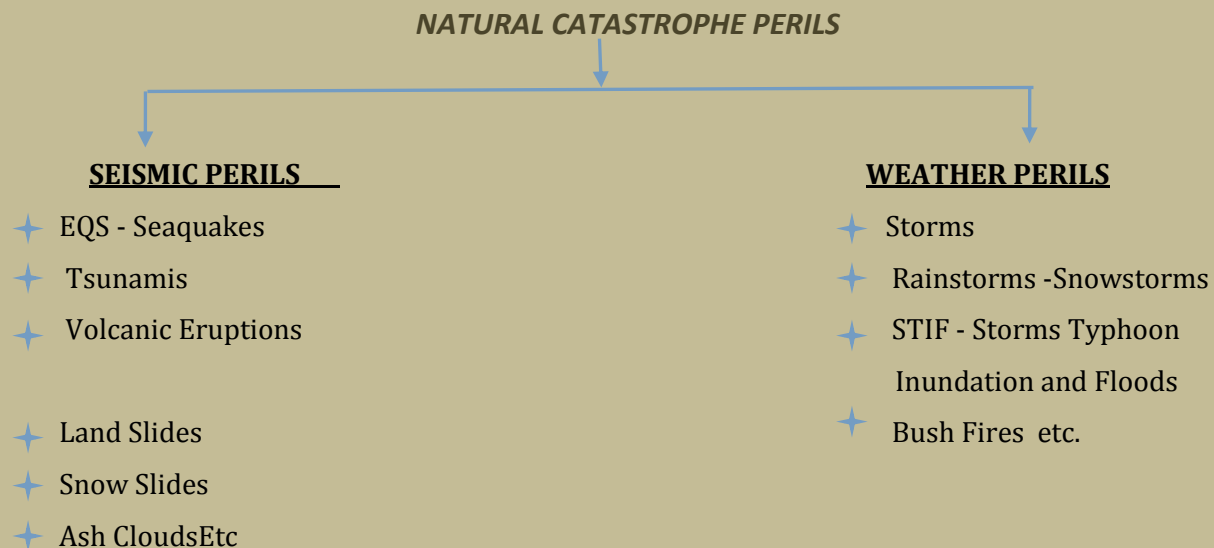
### Insurance/ reinsurance: as a disaster management technology

**Disaster Management has the following two sides, both aspects of one coin :**

1. Pre- Disaster Protection arranged by Insurers through a Reinsurance Programme.
2. Post-Disaster Contribution by Reinsurers to support Insurers financially by meeting their obligations to reimburse losses settled by Insurers in respect of a Natural Catastrophic Event or Disaster.

Reinsurers Insure Insurers by Treaty and Facultative Methods and also substantially share Insurers' Net Account Losses by protecting Net Retentions. On an average, Reinsurers contribute to reimburse more than 90% of Natural Cat Losses suffered by various Insurers in a market covering various classes of General Insurance.

**Peculiar Features of Natural Catastrophes :**



### *With Magnitude of Events & Intensity of Events*

All these are called **Acts of God Perils**.

*In case of large losses in respect of General Insurance classes other than Natural Catastrophes and / or Terroris , the Law of Large Numbers implies that a large number of policies are not affected . But in respect of Natural CAT Perils, it is a juxtaposition, i.e., an Enormous Accumulation of a number of Insured Risks are involved in a Cat Event of Losses.*

*Acts of God Perils are seemingly UNINSURABLE but Reinsurance makes them INSURABLE. Now Reinsurers face unprecedented Frequency - N - Severity of Natural CAT Events. Hence they have also become 'Restrictive' and 'Prohibitive'.In Proportional Reinsurance Treaties, they get full Premiums but they limit Natural CAT Event Losses by 'Capping of Limits'.*

*They give reduced Commission without Profit Commission on Premiums of the Treaties from Acts of God Perils.In Excess of Loss Treaties, they charge higher premiums and do not allow more than One Reinstatement of Limits for each - n - every Layer.*

*In Direct Insurance business, the 'Rates' of Acts of God Perils Risks are suffering from ridiculous reductions by crazy competition.With Increasing Ratio of Insured Losses in every Catastrophic Event, the Premiums for Acts of God Perils Risks are reducing with upward exposures of insured limits.*

### **What is the Remedy?**

- *There should be No Competition to insure Risks with Acts of God Perils.*
- *The Profits with regard to Acts of God Perils Risks are high between the gaps of a few years of Castastrophe happenings. These Profits of Claims free years are in fact funds for future losses. Therefore, these should be exempted from Tax by seeking Government concessions. This is not a difficult task given that around 65% to 75% of Indian Market Premiums are written by PSU's.*
- *The best way out is to create a NAT CAT MARKET POOL by compulsory membership of all the Insurers in the Market charging UNIFORM RATES to cover Acts of God Perils Risks with respect to Fire, Engineering, Motor OD/ TPL and same classes of Misc. Accident business.*

*The NAT CAT POOL's premiums will be a reasonably high level of Premiums with adequate limits.*

*The NAT CAT POOL can be protected by a Reinsurance Programme by Excess of Loss Risk -N - CAT XL Programmes.*

*The NAT CAT POOL will make ground for Financial Strength of Resilience of people by Insurers -N - Reinsurers making financial Contributions to compensateCAT affected Risks in Insured CAT Losses.*

*In countries like Japan, since 1966,there is a Japanese Earthquake System covering Dwelling Houses as well as Industrial Properties. The JER - Japanese Earthquake Reinsurance Co. Ltd provided real protections to Insured Risks.The 11th March 2011 Tohuko Seaquake and Tsunami losses provided the best example of how Reinsurance and Reinsurance Technologies handled the Disaster Management by building Resilience of People at large and Insured individuals and firms.*

*Still out of US \$ 309 Blns of losses, Insured losses were US \$ 35 Blns! But the Insurers and Reinsurers played their active and effective roles in the Post- Disaster Management. Thereafter Pre- Disaster Management measures increase penetration of Insurance in the Market.Insurance/ Reinsurance serve as Technologies of Disaster Management by financing more than 90% of insured losses with respect to Natural Cat Events of Losses.*

*Commercial Solutionis practical and longer lasting support to State Government's Machinery for Disaster Management.*



**Conclusion : Commercial Solutions by Insurance and Reinsurance Technologies in fact prevent MANAGEMENT DISASTER by DIASASTER MANAGEMENT**

**K. L. Naik**  
**Managing Director**  
**Xperitus Insurance Brokers Pvt. Ltd**

## **Best Practices**

### **Fail Better**

**Anjali Sastry and Kara Penn, authors of Fail Better offer a three-step approach for harnessing failure.**

*They have given advice on how to take the sting out of failure, and also make failure a little more useful to us.*

*In business circles, failure is really being rehabilitated, especially in entrepreneurship circles. Nobody wants to be known as a failure, or even their projects or work to be known as a failure.*

*This book helps to understand what kind of failures helps one to succeed and also to pull out some rules and practices to help others.*

*Failures can be distinguished as good and bad. Good failure is one that teaches something. And bad failure is one you did not learn from.*

*The Authors frame out three insights drawn from their research and experiences -*

- 1. Link actions to outcomes - To launch any new effort or project or anything, to innovate or change the world or solve a problem, you must figure out what you want to achieve, and how you think the actions you are going to take care of are going to lead to the outcomes you are going to aim for.*
- 2. Chunk out the steps - Design your work so that you chunk out the steps in your work in such a way that you have got a playground for experimenting with some of the ideas and assumptions that underlie your project. This way, you can experiment with the connections between what you achieve and actions you are taking, and can figure out if you have made some faulty assumptions.*
- 3. Embed the learning - Take time to figure out whether you have learned something new, and how that might link to how you do things in the future. This is something people can do as individuals or as teams, but we think it's also something that companies and organizations of all kinds can support and build on.*

*After completion of the project it is necessary to check whether the actions taken or methods used are correct. This is a strong way to avoid massive and public failures. The above research is also very important while working with other peoples in organization. If working process or methods are available, this can be useful while dealing with colleagues, teams, boss.*

*It helps people to become more open and calm about taking some of the risks. In this book the authors have given various examples from firms, companies and industries which one can import into his/her business for learning from failure.*

**Compiled by Mrs. Sneha Pednekar**  
**i-Think Member**

## New Year in India

### Flavor of New Year in India

*New Year is the time at which a new calendar year begins. This event is celebrated differently all over the world. In India also the New Year is celebrated in various ways. As we all know India is a country of variety of regions, cultures and religions. In each region of India the New Year celebration has its own color, flavor or theme.*

**Here we see how New Year is celebrated in different regions of India -**

**Ugadi** - Ugadi is celebrated as New Year's Day in Karnataka and Andhra Pradesh. The meaning of Ugadi (Yuga + Adi) is the beginning of a new age. It is celebrated on the first day of the Hindu month - Chitra. The belief is that Lord Brahma, who is the creator, started creation on this day.

**RongaliBihu** - It is Assamese new year day. It is celebrated around 14-15 April. It is also known as BohagBihu. The three types of Bihu are RongaliBihu, KongaliBihu, and BhogaliBihu. Each festival recognizes a different agricultural cycle of the paddy crop. The first day of Bihu is called gorubihu or cow bihu. On this day cows are worshipped. Second day is manuhbiu. The third day is Gosaibihu when people worship god and wish each other a prosperous and happy new year.

**GudhiPadwa** - It is New Year day in Maharashtra. It is also celebrated on the first day of the Chitra month. In rural areas houses are cleaned and plastered with fresh cowdung. Rangolis are drawn on doorsteps. People wear new cloths and special dishes are prepared. Gudhi is hoisted in every house as a symbolic representation of Rama's victory over Ravana.

**Puthandu** - It is also known as VarudaPirappu. It is New Year day in Tamil Nadu and celebrated on the first day of the Tamil month. Chithitai, falls on 14th April. Women draw patterns called Kolams and a lamp called a Kuttuvilaku is placed on the center of the Kolam, to remove darkness. A ritual called Kanni takes place. Kanni means auspicious sight. It is a belief among Tamil people that it brings prosperity.

**Vishu** - It is celebrated as New Year day in Kerala. It falls on the first day of the Malayalam month of Medam - Mid April. The Malayalam New Year in Malabar used to be the 1st of Kanni and that in the Travancore region was on the 1st of Chingam.

**SajibyNongma Panda (Cheiraoba)** - This is New Year day in Manipur. The name 'Cheiraoba' is a combination of two words which have two different meanings - 'Chahi' (year) and 'laoba' (declaration). So, overall 'Cheirao-ba' means the announcement of the coming year. Cheiraoba falls on the same day as Ugadi or GudiPadwa.

**Navreh** - It is New Year day in Kashmir. This coincides with the first day of the Chaitra (spring) Navratras. This day finds mention in Rajtarangini and NilamatPurana of Kashmir and is regarded as sacred in Kashmir as the Shivratri.

**Maha VishuvaSankranti** - It is Oriya New Year. On this day, religious people offer delicious Pana - a sweet drink made of different types of fruits, water, milk, bela, curd and sugar or jaggery - to the Tulsi Plant, Lord Shiva and Shalagram and their deities in various Temples of the state. During the festival, water pots are placed on the roadsides to help the thirsty people. Water is also offered to animals and birds with equal enthusiasm. This Sankranti is also known as PanaSankranti or JalaSankranti as it is celebrated on same day as Puthandu in Tamil Nadu.

**BestuVaras** - BestuVaras is New Year's Day for Gujaratis and falls on the day after Diwali. BestuVaras generally falls in the month of October or November. On this day, people greet each other 'Happy New Year'. The day starts with the heavy fire works, to welcome New Year, in the early morning as Hindus believe the morning starts at 4 am. Houses are decorated with torans made from leaves of the mango tree and marigold flowers and rangoli designs at doorsteps. Homemade snacks and sweets are offered to the guests who come



to wish New Year.

**Cheti Chand** – This is Sindhis's New Year. It is celebrated on the second day of the Chaitra month known as Chet in Sindhi.

**Chaitti and Basoa (Bishu)** – It is celebrated as New Year in Himanchal Pradesh. Chaitti is celebrated on the first day of the month of Chaitra all over the state. The Basoa (Bishu) is celebrated on the first day of the month of Baisakh. The farming folk celebrate this festival. Three days before the festival, people make little cakes with Kodra (a coarse grain) flour and wrap them up in leaves. After three days the cakes ferment, then on the morning of the festival day people invite the married daughters and other relatives and break and eat these cakes with honey and sweet water flavoured with jaggery. A ritual song is sung on this occasion.

**Vaisakhi**– This also called as Baisakhi. It is the festival of the Sikh Community and farmers of Punjab and Haryana. It falls on 13 or 14 April. Baisakhi commemorates the day when the Sikh Guru eliminated caste differences and founded KhalsaPanth in 1699. The Sikh New Year as per the Sikh Nanakshahi Calendar falls on 14 March every year and is marked with revered celebrations throughout the Sikh community.

**PoilaBaishakh** – In Bengal, the New Year is celebrated in mid-April on the first day of Baishakh.

**Jude Sheetal** – It is also known as PahilBaisakh. This day is celebrated by the Maithils in Mithila region of India and Nepal. This day falls on the 13-14th or 14-15 April. This day is also called HanumatDhwajadanam, the day Hanuman's flag is to be flown. It is also the birthday of Raja Salhesh whose garden is at the Mahisautha in Siraha district headquarters of Nepal.

Source:

[http://en.wikipedia.org/wiki/Indian\\_New\\_Year%27s\\_days](http://en.wikipedia.org/wiki/Indian_New_Year%27s_days)

Compiled by Mrs. SnehaPednekar  
i-Think Member

## Happenings at Institute

### Seminar/Conference/Workshop

#### Seminar on Building Financial Resilience of SAARC Countries against Natural Disasters: The Insurance Option

Insurance Institute of India (III) along with SAARC Disaster Management Center (SDMC) is in the process of creating awareness on building disaster resilience in the entire SAARC Region of eight countries, through the mechanism of insurance.

In order to discuss the issue in its entirety with the Indian Insurance Industry and take its combined wisdom to the SAARC level, Insurance Institute of India held a seminar on 3rd December 2014 at the Institute's auditorium at BKC in association with SDMC, New Delhi. A background paper 'Building Financial Resilience of SAARC Countries against Natural Disasters: The Insurance Option' prepared to facilitate discussion and help in focusing on some of the key areas that require attention was discussed.

Inaugurating the Seminar, Mr. M. Ramaprasad, Member (Non-Life), Insurance Regulatory and Development Authority, Chief Guest of the Seminar listed out the various endeavors of the Insurance Regulator along with National Disaster Management Authority (NDMA) in promoting disaster related insurance in a sustainable manner. He complimented the various governmental agencies in their efforts which have translated into reducing loss of life considerably in all the recent disasters that struck India. Dr. Santosh Kumar, Director,

*SAARC Disaster Management Centre, India (SDMC) in his keynote address discussed the specific vulnerability situations in each of the SAARC Countries. He spoke of the importance of creating ex-ante solutions through insurance to reduce the ex-post financial losses after disasters strike.*

*The Insurers' Panel comprising Mr. V. Manickam, Secretary General, Life Insurance Council, Mr. Kaushal K. Mishra, Managing Director & CEO, Tata AIG General Insurance Co. Ltd., Mr. M. P. Vasimalai Executive Director of DHAN Foundation, Mr. R. Chandrasekaran, Secretary General, General Insurance Council and Mr. Malay K. Poddar, General Manager, Agriculture Insurance Company of India and Chaired by Mr. G. Srinivasan, Chairman and Managing Director, New India Assurance Co. Ltd. deliberated over various Insurance perspectives and approaches to disaster preparedness by insurers over the years. The issues relating to community level institutions and people at the lowest economic levels of the society and how the insurance concept of mutuality was close to their lives was discussed in detail. The angles of crop insurance, problems of farmers and parametric weather based agriculture insurance over large geographical areas were also discussed.*

*The Reinsurers' Panel chaired by Mr. R. Chandrasekaran, Secretary General, General Insurance Council comprising Mr. Arun Agarwal, Lloyd's General Representative in India, Mr. Joseph Augustine, Chief Representative to India of Catlin Insurance Company Ltd., Mr. K.L Naik, Managing Director, Xperitus Composite Brokers, Mr. D.T.V. Sastri, Deputy General Manager, GIC Re., Mr. Atmaram Cheruvu, India Representative (Non Life), Hannover Re Consulting Services and Mr. G. Satish Raju, Head - Global Partnerships South Asia, Swiss Re Services India Private Ltd pondered over Reinsurers' perspectives in building financial resilience in SAARC Countries against Natural Disasters. The panel discussed various issues like concentration of high value property risks in certain areas and how the reinsurance market is globally an enabler for covering catastrophic losses. The various approaches by GIC Re in the SAARC Countries and at the FAIR level were discussed. While discussing the concept of risk pooling to address low frequency and high severity catastrophic losses, participants hailed the success of the GIC Re administered Terrorism pool which could withstand two major instances of terrorism, which are technically, man-made disasters.*

*Citing the knowledge partnership between Insurance Institute of India and SDMC as an importance landmark in the Diamond Jubilee year of the Institute, Mr. P. Venugopal, Secretary General of Insurance Institute of India (who is Secretary General of the Federation of State Insurance Organizations of SAARC Countries as well) assured the industry of its support by way of providing the knowledge quotient and research in this area. Concluding the session, Dr Santosh Kumar stated the SDMC's intention to conduct a SAARC level Seminar for this purpose during February 2015 in Delhi where participants from the Governments, Insurance Regulators and insurers of the eight SAARC Countries are proposed to be invited.*

**Lighting of Lamp**



**Welcome address by Mr. P Venugopal  
Secretary General, Insurance Institute of India**



**Keynote address by Mr. M. Rama Prasad,  
Member (Non-Life), IRDA**



**Mr. Arindam Mukherjee - setting the theme**



**Dr. Santosh Kumar,  
Director, SAARC Disaster Management Center**



**Flagging points for discussion by Dr. George. E. Thomas, Professor, COI**



**Panel on Insurance Industry Perspective Insurers**



**Panel on Insurance Industry Perspective Re-Insurers**



**All delegates on Valedictory****Audience**

## Training Program

### Upcoming Program for January- February 2015

<b>Sr. No</b>	<b>PROGRAMME</b>	<b>DATE FROM- TO</b>	<b>FEES WITH RESIDENCE</b>	<b>FEES WITH NON-RESIDENCE</b>	<b>DESIGNED FOR</b>
01	<i>C.I.E. Workshop</i>	<i>5-7th Jan. 2015</i>	<i>Rs.9600 + S.T.</i>	<i>Rs.8100 + S.T.</i>	<i>Corporate Agents</i>
02	<i>Protection Planning ( Life Insurance )</i>	<i>5-6th Jan. 2015</i>	<i>Rs.8000 + S.T.</i>	<i>Rs.7000 + S.T.</i>	<i>Sr. Agents and others directly associated with selling of life insurance</i>
03	<i>Certified Insurance Trainers</i>	<i>5-7th Jan. 2015</i>	<i>Rs.12000 + S.T.</i>	<i>Rs.10500 + S.T.</i>	<i>Trainers in Insurance companies</i>
04	<i>Finance for General Insurance Executives</i>	<i>8-10th Jan. 2015</i>	<i>Rs.9600 + S.T.</i>	<i>Rs.8100 + S.T.</i>	<i>Junior &amp; middle level Executives working in non-finance areas of General Ins. Companies</i>
05	<i>Leveraging new Distribution Models (Life Insurance)</i>	<i>12-13th Jan. 2015</i>	<i>Rs.8000 + S.T.</i>	<i>Rs.7000 + S.T.</i>	<i>Managers working in marketing departments of Insurance companies</i>
06	<i>Health Insurance (for employees of TPA)</i>	<i>12-14th Jan. 2015</i>	<i>Rs.9600 + S.T.</i>	<i>Rs.8100 + S.T.</i>	<i>Middle level Executives from Insurance companies, Broking firms and Hospitals</i>
07	<i>Excellence in Management</i>	<i>19-23 Jan. 2015</i>			<i>For National Insurance Company</i>
08	<i>General Insurance Appraisal</i>	<i>27-30 Jan. 2015</i>			<i>For National Insurance Company</i>
09	<i>Agency Management</i>	<i>2-4 Feb. 2015</i>	<i>Rs.12000 + S.T.</i>	<i>Rs.10500 + S.T.</i>	<i>Middle Level Executives in General</i>
10	<i>General Insurance Appraisal</i>	<i>2-5 Feb. 2015</i>			<i>For National Insurance Company</i>



11	<i>General Insurance Appraisal</i>	<i>9-12 Feb. 2015</i>			<i>For National Insurance Company</i>
12	<i>Reinsurance - Professional Level (International )</i>	<i>23-27 Feb. 2015</i>	<i>\$325</i>		<i>International Executives working in General Insurance Companies &amp; looking after Re- insurance (Sponsorship only through GICRE)</i>

## **Associated Institute**

### **Insurance Awareness Program held by Bangalore Insurance Institute on 16.11.2014**

*Bangalore Insurance Institute in association with The Comptroller's Office Co-op Bank & Chaitanya Sinchana a Social, Educational & Charitable Trust organized a special event for School Children studying in Govt. School in the border are of Madhugiri Taluk, Tumkur District, on Sunday, the 16th November, 2014.*

*Around 500 children and 200 Villagers participated in the programme.*

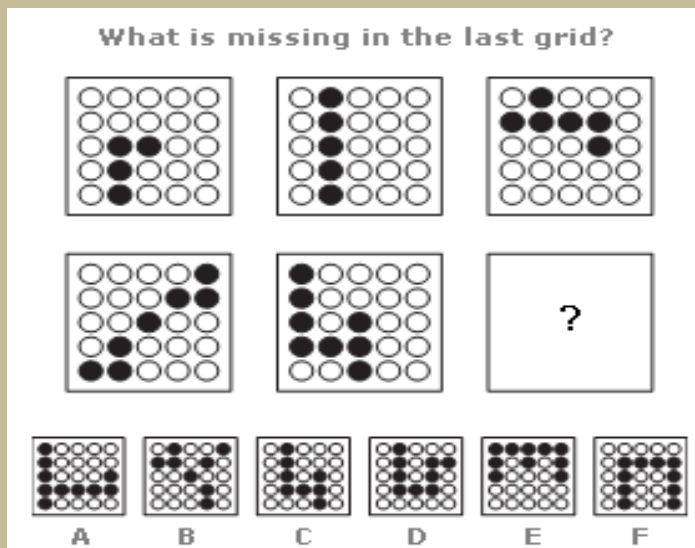
- 1. The event included the following programmes: Insurance awareness programme: Sri. R. Surender, Regional manager, National Insurance Co. Ltd & Vice- Chairman of Bangalore Insurance Institute made a presentation covering some basic 'information about Insurance. A small booklet giving basic information about Insurance in Kannada had been prepared for that purpose.*
- 2. Quiz: The participants were grouped into three different groups based on their academic level. Prizes were awarded to the winners and runners up.*
- 3. Mathematics Exhibition: Children from all the participating school were allowed to exhibit different models, easier methods of calculation.*
- 4. Debate: Children were given a subject of social relevance and asked to speak.*
- 5. Street Play; A street play by their team was enacted during the programme. The theme of the play was importance of saving through Insurance & its utilities.*

*All committee members of Bangalore Insurance Institute including Vice – Chairman Sri R. Surender & Hon. Secretary Sri B C Srinath participated in the day long programme.*

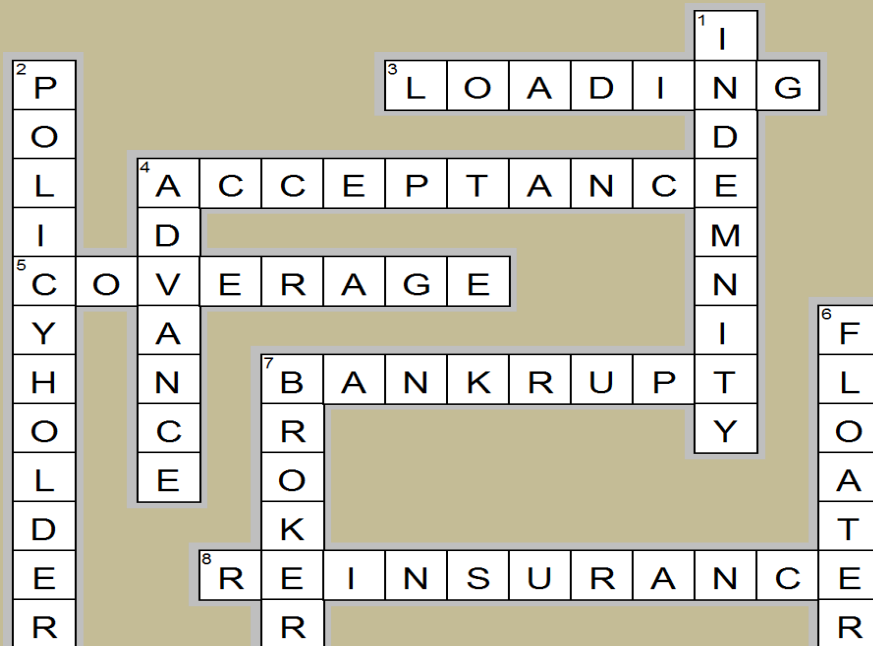


Refresh Corner

Puzzle



Answers of Last Month's Puzzle



Rajesh Sawant  
i-Think Member

## Short Moral Story

Once there was a small boy named Shankar. He belonged to a poor family. One day, he was crossing through the forest carrying some woods. He saw an old man who was very hungry. Shankar wanted to give him some food, but he did not have food for his own self. So he continued on his way. On his way he saw a deer who was very thirsty. He wanted to give him some water, but he did not have water for himself. So he went on his way ahead. Then he saw a man who wanted to make a camp but he did not have wood. Shankar asked his problem and gave some wood to him. In return, he gave him some food and water. Now he went back to the old man and gave him some food and gave some water to the deer. The old man and the deer were very happy. Shankar then happily went on his way.

However, one day Shankar fell down the hill. He was in pain but he couldn't move and no one was there to help him. But, the old man whom he had helped before saw him; he quickly came and pulled him up the hill. He had many wounds on his legs. The deer to whom Shankar had given the water saw his wounds and quickly went to the forest and brought some herbs. After sometime his wounds were covered. All were very happy that they were able to help each other.

**Moral: If you help other, then they will also help you.**

**Compiled by Rajesh Sawant  
i-Think Member**

## Humor

### Pappu's Honesty

A lady lost her handbag in the bustle of shopping. It was found by Pappu and returned to her.

Looking in her purse, she commented, "Hmmm.... That's funny and strange. When I lost my bag there was a 500 rupee note in it. Now there are ten 50 rupee notes."

Pappu quickly replied, "That's right, lady. The last time I found a lady's purse, she didn't have any change for a reward."

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