

INSURANCE EDUCATION IN INDIA - THE GENESIS

The need for imparting insurance education engaged the minds of men at the helm of insurance companies in India from very early times. One of the avowed objectives of the Indian Life Assurance Offices Association (ILAOA) was to 'disseminate information regarding the principles and the science of Life Assurance and to facilitate the study of the science of Life Assurance.'

In his Presidential address at the Annual General meeting of ILAOA held in April, 1934, Mr. K.C. Desai remarked : "The awakening in respect of the benefits of Life Insurance is no doubt visible but the greatest handicap that faces us in India is illiteracy and want of liberal education..... I, therefore earnestly draw the attention of the Indian Life Offices and our Association to the fact that we must not confine our activities merely to the getting of business but we must look ahead and empathise with persons and institutions that may be working for the educational progress of our country."

A beginning was made when a sub-committee was appointed in 1934 to examine as to how insurance education could be imparted in India and to approach local Universities with the proposal to include insurance subjects in the University syllabus. The committee upon examination of the pros and cons was led to suggest formation of an Institution like the Chartered Insurance Institute of London and also an Actuarial Science Institute more or less on the lines of the Institute of Actuaries, London to facilitate training and providing educational facilities to Indian students.

Mr. K.C. Desai suggested that the executive committee should consider whether the Association can take steps for imparting insurance education which shall meet the long felt needs of the life offices to have members of the staff who are knowledgeable and well qualified in life insurance principles and practice and a field force equipped with at least some theoretical training in insurance and allied subjects. The executive committee felt it was desirable to hold examinations for granting diplomas to candidates qualified in Life Insurance and other allied subjects.

Accordingly, a sub-committee under the chairmanship of Mr. P.K. Santanam was constituted to prepare a scheme for conducting examinations by the Association. The committee was also asked to make recommendations on the subject and prescribe a curriculum for these studies.

On the basis of the recommendations of the committee, additional Bye-laws enabling conduct of such examinations were passed by the Annual General Meeting held in March, 1943 authorizing the Executive Committee to frame curriculum, appoint an Examination Board, hold examinations and declare the results. According to the final curriculum then approved, the examination consisted of three parts, at the end of successful completion of which a diploma was awarded to the student.

The first examination was held in 1945 in parts I and II only. But from 1946 onwards examinations were held in all the three parts. Oral tuition classes were held at Mumbai, Kolkata and other important centres. The classes were handled by prominent insurance executives. The Chirmule Insurance Institute at Satara and South India Insurance Association at Madras conducted regular coaching classes for these examinations from the inception. In order to help students from mofussil areas, correspondence courses were also introduced.

Thus, ILAOA put forth earnest efforts to organize insurance education in our country in a scientific way. Since the inception of these examinations, the respective Presidents of the Association in their Presidential addresses impressed upon the member companies, the need to encourage their office staff and field workers to take up these examinations. The examinations of ILAOA were confined to life subjects only.