



**INDIAN INSTITUTE OF INSURANCE
SURVEYORS AND LOSS ASSESSORS**
(Promoted by IRDA, Govt. of India)

Regd. Office: 5th Floor, Parisrama Bhavan, Basheerbagh, Hyderabad-500004.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 5th Annual General Meeting of the members of **INDIAN INSTITUTE OF INSURANCE SURVEYORS & LOSS ASSESSORS** will be held on Saturday, the March 1st, 2014 at 2.30 P.M. at The “Taramati-Baradari”, APTDC, Ibrahimbagh , Hyderabad to transact the following business :

1] SPECIAL RESOLUTION

To consider and if thought fit to approve with or without modifications, the modifications and additions to the Articles of Association of the Institute as have been determined by IRDA and as directed by them in their order ref no: IRDA/ INTR/SUR/ IIISLA/2013-14 of February 3,2014

“RESOLVED THAT pursuant to the provisions of section 31 and all other applicable provisions, if any, of the Companies Act, 1956 (including any Statuary modification or re-enactment thereof for the time being in force) the existing Articles of Association of the company be and are hereby modifying by / adding the following clauses as per ANNEXURE-I (forming the part of notice):

ORDINARY BUSINESS :

1. ADOPTION OF ACCOUNTS

To consider and adopt the Audited Balance Sheet as at 31st March 2013, the Income & Expenditure of the Institute for the year ended on that date and Reports of the Auditors and Directors thereon.



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2. APPOINTMENT OF STATUTORY AUDITOR

To appoint the auditors to hold office from the conclusion of this annual general meeting until the conclusion of the next Annual General meeting and fix their remuneration.

3. SPECIAL BUSINESS :

To pass with or without modification , the following resolution as an Ordinary Resolution :

To authorize council members to fix the time, date and place of next annual general meeting and extra ordinary general meeting, if required during the period till next Annual General Meeting.

“Resolved that The Council members be and are hereby authorized to fix time, date and place of annual general meeting and/or extraordinary general meeting in their council meeting.”

4 ANY OTHER MATTER WITH THE PERMISSION OF THE CHAIR

By the Order of the Central Council

SUNIL VORA

Honorary President

Date : February 7,2014

Place : Hyderabad

Registered Office: 5th Floor, Parishram Bhavan, Bahseerbagh , Hyderabad



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ABOUT THE INSTITUTE

The Indian Institute of Insurance Surveyors and Loss Assessors was established in 2006 for promoting the profession of surveyors and loss assessors involved in the damage and loss assessments for the insurance industry in India.

The Institute established its administrative office at Hyderabad in January, 2012 and has set up a structure comprising of four zones and a number of state chapters. Several units have also been set up at smaller stations countrywide.

The Institute conducts regular workshops , seminars , conferences and education programs for its members apart from training and discussion of professional matters .

THE OFFICE BEARERS

The Office Bearers of the Institute on the 5th central council were:

1. Mr. R.K.Elango President
2. Mr. Rakesh SoniVice President
3. Mr. Ashok KumarSecretary
4. Mr. Sunil VoraTreasurer (till February 2,2013)

The other Council Members were :

Mr.S.K.Agarwal

Mr.Lalit Gupta

Mr.J.P.Singh

Mr.Sanjay Surpuriya



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The Nominated Members on the Council were:

Mr. Rama Prasad (Member IRDA)

Mr. Lalit Kumar Chandel (Nominated by MOF)

Mrs. Sudha Ramanujam Deputy Director IRDA

COMMITTEES

The Institute has following Committees for executing its objectives :

1. The Education Committee
2. The Membership Committee
- 3 The Disciplinary Committee

AUDITORS

Sharad Sinha & Associates

Chartered Accountants, Firm Regn No:0063775,
D.No.6-3-1099/1/6, 1st Floor, Hotel Katriya Lane, Raj Bhavan Road, Somajiguda,
Hyderabad

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Administrative Office : Door No: 3-5-890, Flat No.315, Paras Chambers,
Himayatnagar, Hyderabad

OUR MEMBERS:

With pride in ourselves, we will respect one another and share our knowledge, information and experiences .

We will upgrade our skills and capabilities, enhance our will to transform the way we work

We will be accountable to ourselves for our performance and will contribute to delivery to the Policy Holder .



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COUNCIL'S REPORT TO THE MEMBERS

To The Members:

The Central Council is pleased to present members with the 5th Annual Report of the Institute together with the audited statement of the Income and Expenditure Account for the year ended with March 31,2013

FINANCIALS

Snippet View of Financials		
Particulars	2012-13	2011-12
Subscriptions & Revenue	77.05	72.58
Other Income	11.5	0.82
Total	88.55	73.40
Expenses	-49.78	-47.7
Surplus before Tax	38.77	25.7
Less Tax	-11.5	-6.78
Net Surplus	27.27	18.92

INCOME



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The total revenue of the Institute reflects the subscription fees which was received or was receivable from the members of the Institute. The arrears of subscription shown as receivables were duly received in the subsequent financial period.

Other Income represents the collections from members towards workshops or training programs that were conducted by the Institute.

EXPENSES :

The expenses were primarily running costs of administration and towards the conduct of the workshops and training programs of the Institute

The IRDA also contributed towards the costs of administration with a sum of Rs:75,000.00 a month for the period between August, 2012 and February, 2013.

APPROPRIATIONS OF FREE RESERVES

The Council recognised that the Corpus Funds collected on admission of members must be applied for the primary purposes of the Institute. As such, rather than maintaining free reserves, these funds under free reserves have been appropriated to specific reserves for Building (Central Office), Training Centre & Stations ; and for Research Studies on educational, technical and professional for the profession. Fixed deposits have been earmarked against these reserves . These reserves cannot be utilized for purposes other than



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the purposes set, without the previous permission of the General Body.

THE YEAR 2012-2013

The financial year ended with March 31st, 2013 continued to be trying and difficult for the Institute, with the Institute being on the cross roads.

During the period till August, 2012 the functioning of the Institute had been brought to a complete standstill and all activities of IIISLA had to be aborted for want of the Institutes records and the freezing of its funds.

The Institute was successful in gathering custody of the Institute's records, documents and accounts from the custody of the past president Mr.Iqbal Tada on August 7,2012, after a protracted proceedings in the Civil Court and the High Court of Ahmedabad.

However, the Fixed Deposits with various banks placed by the past President and Treasurer were not available. The respective banks were contacted and the changes in authorized signatories effected in September, 2012.

The Institutes Office at Hyderabad commenced operations in January, 2012 and has, since receipt of the records from Ahmedabad, drawn up the accounts for the years 2011-12; and 2012-2013.

Following the retrieval of the Institutes records under the orders of the High Court Ahmedabad, the accounts of the Institute for the period under discussion was tedious and time consuming .



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Not all records were available and as such, in the absence of complete data and particulars, there were several receipts and expenses for which accounting had to be done on a presumptive basis. The Institute has been as prudent, careful and cautious as was possible.

It has come to notice that several bank accounts have been operating under the name of IIISLA Zones and Chapters, without adequate accountability or reporting of collections into these accounts in the name of IIISLA. Steps have been initiated to gather details of such accounts and the details of transactions routed through these bank accounts.

In the meanwhile, inspite of incomplete details and attempts made to make matters difficult, details of funds of the Institute invested in various banks had been successfully identified and adequate steps had been initiated to secure these funds.

OVERVIEW

The 4th council of the Institute had been elected and put in place on March 11, 2011 and continued in term till the financial year ending with March, 31st 2012.

The following members of the council retired by rotation on February 12, 2012.

1. Dr. Srinivasan
2. Mr. D.C.S.Raju
3. Mr. R.P.Gupta ; and
4. Mr. Santosh Sarkar



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However, elections to replace these retiring council members and to constitute the 5th council had not been conducted and could not be so conducted due to the absence of member records which had to be updated subsequent to retrieving custody of these on August 7,2012.

In the meanwhile, the council continued with the remaining 8 members on the board.

Subsequently, the term of the following council members also came to an end on March 11,2013

1. Mr. R.K.Elango..... President
2. Mr. Rakesh Soni..... Vice President
3. Mr. Ashok Kumar.... Secretary
4. Mr.S.K Aggarwal

The Council then continued to function and as of date continues to function with the following 4 council members :

Mr.Sunil J Vora ... Convenor

Mr.Sanjay Surpuriya ... Deputy Convenor

Mr.J.P.Singh

Mr. Lalit Gupta

MEETING WITH THE REGULATORY AUTHORITY:

A meeting with the Regulatory Authority was held by the Council on September 15,2013. The Authority and the Council deliberated on various issues which had caused the complete stagnation of the Institute in the performance of its perceived functions. It also



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discussed the way forward, so that the Institute would start to play the role visualised by the Memorandum of Objectives under which it was constituted and would function as such. as visualised by the Articles of Association of the Institute.

The Regulatory Authority agreed to initiate the process of removal of various hindrances to the development of the profession and in time formulated the exposure draft for the regulation for modification, which was put up on the IRDA Website in October , 2013.

REVIEW WITH THE MINISTRY OF FINANCE

The Council was also called to a review of the Institute's functioning and working over the last three years, by the Ministry of Finance in November, 2012.

The Ministry brought it to the notice of the Institute that it had failed to meet any and all of the objectives for which it had been set up ; and that it had performed poorly in all areas in which it was expected to deliver .

The Council forcefully and successfully argued that the objectives for which the Institute had been set up and the regulatory role for which it was conceived and established, could not possibly be achieved if the membership of the Institute was kept as voluntary.

The Council also vigorously argued that professionals in the field would not wish to be regulated and brought under a code of conduct, if it was to be only voluntary in nature.

The Ministry of Finance recognised this aspect and responded with alacrity.



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The initiatives of the Ministry of Finance and the Regulatory Authority in tandem, culminated in the Modified Regulations which were gazetted by the Regulatory Authority on March 12, 2013

AMENDMENTS TO THE INSTITUTE'S MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION

The Institute held an Extra Ordinary General Meeting on January 19, 2013 at Yeracaud, Tamil Nadu to consider various amendments to its Memorandum of Association and the Articles of Association. This was primarily to align the Institute to the Regulatory changes which had been proposed in the IRDA exposure draft.

The Regulatory Authorities exposure draft had proposed that all surveyors and loss assessors with a licence issued by the Regulatory Authority be required to be members of the Institute.

The amendments proposed and adopted by the General Body required an approval of the Central Government (in case of the amendments proposed in the Memorandum of Association) and of the Regulatory Authority (in case of the amendments proposed to the Articles of Association).

The approval from the Regulatory Authority was limited on certain issues, primarily being the definition of the member of the Institute defined by the General Body as an independent professional.

The amendments were thus, filed with the Registrar of Companies, Hyderabad without the complete approval of the IRDA. The filing was rejected by the ROC and returned on technical grounds.



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The amendments to the Articles of Association of the Institute remain to be incorporated.

CERTAIN CONSCIENTITIOUS ISSUES

There are certain conscientious issues which the Institute has raised with the IRDA, one of which has been that of surveyors and loss assessors in the employment of Private Insurance Companies, who were assigned responsibilities of loss quantification, determination and assessment, an area where Section 64 UM of the Insurance Act called for a survey, where the loss exceeded Rs:20,000.00.

Whilst the Authority was and continues to be of the view that even employees of Private Insurance Companies who hold a licence to survey and assess losses from the Authority, could conduct surveys under Section 64 UM, the Institute has been of the view that Section 64UM perceives of a conflict of interest where the loss exceeds Rs:20,000.00 . This matter continues to remain a bone of contention with the Regulatory Authority.

ELECTIONS TO THE 5th COUNCIL

The elections to the 5th council had been delayed in view of the gazetting of the new regulations mandating membership on March 13,2013.

The new IRDA regulations announced on March 13,2013 allowed a window to existing licensed surveyors and loss assessors to register as members of the Institute not later than September 30,2013.



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IRDA was of the view that till since such licensed surveyors and loss assessors were provided with this window, the elections would be best held thereafter.

In this respect, the IRDA had announced the election officer and had on August 7, 2013 provided the Institute with a schedule for holding elections.

The IRDA was provided with the list of good standing members as of August 30, 2013 ; and with fresh lists of members in good standing as of September 30, 2013 and as of December 31, 2013 . They have been reminded of the need to hold the elections on immediate priority.

Regretfully, the IRDA is yet to announce the date of such elections leading the Institute into a constitutional crisis with the term of the truncated council coming to an end on March 4th, 2014.



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COUNCIL MEETINGS:

The council held the following meetings which were participative and well attended.

Council Members	Dates of Meetings conducted and details of Council members attended			
	26-05-2012	14-09-2012	01-02-2013	19-03-2013
Mr.R.K.Elango	√	√	√	X
Mr.Rakesh Soni	√	√	√	X
Mr.Ashok Kumar	√	√	√	X
Mr. S.K.Agarwal	X	√	√	√
Mr.Lalit Gupta	√	√	√	√
Mr.Sanjay Surpuriya	√	√	√	√
Mr.J.P.Singh	√	√	√	√
Mr.Sunil J Vora	√	√	√	√
Mr. Rama Prasad (Member IRDA)	X	X	X	X
Mr. Lalit Kumar Chandel (Nominated by MOF)	√	√	X	X
Mrs. Sudha Ramanujam (Member IRDA)	X	√	√	X

THE INSURANCE INDUSTRY

The growth in Indian economy continued to be sluggish even in through the financial year 2012-13. The deteriorating



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macro economic factors, the declining growth rate of the economy, inflation and high prices and consequent smaller overflow, impacted the growth of the economy and in turn the growth of the insurance sector in India. Nevertheless, the total non-life insurance premium increased to Rs:62,973 crores in 2012-13 as compared to Rs:52,876 crores in 2011-12. The growth rate of premium in the non-life insurance sector declined to 19.10 per cent in 2012-13 as compared to 24.19 per cent in 2011-12.*

*(reference IRDA Annual Report 2012-2013)

GROSS DIRECT PREMIUM INCOME IN INDIA		
NON LIFE INSURERS		
('Crore)		
Insurer	2011-12	2012-13
Public Sector	30560.74	35022.12
	-21.50	-14.60
Private Sector	22315.03	27950.69
	-28.07	-25.25
Total	52875.77	62972.82
	-24.19	-19.1
Note: Figures in negative indicate growth in percent over previous year		

The insurance penetration of the non-life insurance sector did not show much improvement and has remained more or less constant at 0.78% as in the year 2012. There has been insignificant improvement in insurance density during the year.

Of interest is the expenses of the Insurance Industry. The commission expenses of public and private non- life insurers stood



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at Rs:2,505 crores and Rs:1,438 crores respectively for 2012-13 as against Rs:2,255.55 crores and Rs: 1,079.80 crores in 2011-12. The operating expenses of non-life insurance companies stood at Rs: 13,307 crores in 2012-13 as against Rs:11,178 crores in 2011-12, showing an overall increase of 19.05 per cent.

The operating expenses of the public sector insurers increased by 18.71 per cent over previous year whereas the operating expenses of the private sector increased by 19.55 per cent over previous year.

EXPENSES OF THE NON-LIFE INSURERS			
('Crore)			
		2011-12	2012-13
Commission Expenses	Public Sector	2256	2505
	Private Sector	1080	1438
	Total	3335	3943
Operating Expenses	Public Sector	6563	7791
	Private Sector	4614	5516
	Total	11177	13307
	Grand Total	14512	17250

During the year 2012-13, the total net profit of the non-life insurance industry was significantly Rs:3,282 crores as against a profit of only Rs:25 crores during the year 2011-12. The public sector companies reported a net profit of about Rs:2,603 crores whereas private sector insurers reported a net profit of Rs: 679 crores. All the four public sector insurers reported net profits during the year 2012-13.



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NET PROFITS/LOSSES- NON-LIFE INSURERS		
Insurer	2011-12	2012-13
Public Sector*	1144.71	2609.72
Private Sector	-1120.19	679.11
Total	24.52	3288.83

UNDERWRITING EXPERIENCE

The underwriting losses of the non-life insurance companies have decreased by 20.88% to Rs: 6,984 crore in 2012-13 from Rs: 8,827 crore in the previous year. This decrease has been due to the reduction in percentage of claims incurred, expenses and unexpired risk reserves as a percentage of net premiums compared to the previous year.

UNDERWRITING EXPERIENCE : NON - LIFE INSURERS		
	('Crore)	
	2011-12	2012-13
Public Sector	5817.39	5141.72
	-22.94	-17.4
Private Sector	2999.45	1842.56
	-25.29	-10.07
Total	8816.84	6984.28
	-11.33	-14.59

INCURRED CLAIMS RATIO

The net incurred claims of the non-life insurers stood at Rs:39,624 crores in 2012-13 as against Rs:35,015 crores in 2011-12.



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The incurred claims ratio (net incurred claims to net premium) of the non-life insurance industry was 82.79 % during 2012-13 which is lower than the previous year figure of 88.90 %. The public sector insurers have been reporting a steady decline in the incurred claims ratio which stood at 89.22% in 2011-12. In case of the private sector, the incurred claims ratio for the year 2012-13 was 79.56 % reporting a decline from the previous year's ratio of 88.26 %.

Among the various business segments, Motor insurance had a high claims ratio 87.06 %. In comparison to the previous year, the incurred claims ratio for all segments exhibited a healthy decrease.

INCURRED CLAIMS RATIO: NON -LIFE INSURERS				
Department	Private Sector		Public Sector	
	2011-12	2012-13	2011-12	2012-13
Fire	101.45	71.55	67.06	52.46
Marine	84.32	60.39	82.07	76.88
Motor	92.41	92.86	97.62	81.26
Health	100.28	103.21	77.93	79.08
Others	55.58	46.35	50.31	78.2
Total	89.27	84.79	88.26	79.56

These figures have been cited, as the Insurance Industry is what the members of this Institute largely cater to. The Industry and the Regulatory Authority must appreciate the increasing burden on the members of this profession and the Institute; and the role it must play, if the profession is to be kept on sustainable levels and if it is to be promoted



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Members would also appreciate the increasing responsibility on them and the Institute as also the vast and growing untapped potential for growth of the true professionals in this industry.

THE NEW SURVEY REGULATIONS

With the notification of Insurance Surveyors and Loss Assessors (Licensing, Professional Requirements and Code of Conduct) (Amendment) Regulations, 2013, the ~Surveyor and Loss Assessor (SLA) ~ has been redefined as a person who is a member of the Institute and licensed by the Authority to act as Surveyor and Loss Assessor.

Thus, licensing of the surveyor and loss assessor is now directly linked with membership of the Indian Institute of Insurance Surveyors and Loss Assessors (IIISLA). All existing licensed surveyors would now become members of IIISLA and levels of membership would be based on the seniority as licensed surveyors, completion of training and other requirements.

Accordingly, all members would be categorised as Licentiate, Associate and Fellow members of the Institute.

The amendments have also linked the upgradation of licensed surveyors to membership levels in the Institute as prevails in other professional institutes. Training and other requirements have been specified for each level of membership in the Institute which would enable them to automatically move from one level of membership to higher level in the Institute.



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The amended regulations now stipulate that all surveyors who are members of IIISLA shall be granted license to act as Surveyors and Loss Assessors, and would be categorised on the basis of membership levels allotted by the Institute. They would be allowed to work in various departments based on their qualification, completion of practical training and passing of such examinations as may be prescribed. These amended regulations have set aside the restriction placed on surveyors with respect to disciplines in which they could practise as was envisaged in the previous Regulations.

The new Regulations also stipulate online reporting by non-life insurers on a quarterly basis to the Authority on any misconduct of licensed surveyors and action taken, if any, on employee surveyors.

The Authority has, as part of its IT initiatives, implemented a web-based Integrated Licensing Management System for surveyors w.e.f. 1st April, 2013. The web based system seeks to facilitate online submission of application by individuals and corporates for grant of fresh/renewal/modified license. Though presently in transition phase with many issues as to access as also functionality, the web-based registration system would ultimately enable real-time accessibility for registration, licensing of surveyors, renewal of licenses, movements and cancellations in a simple, efficient and transparent manner.

The details of trainee enrolments, grant of fresh and renewal licenses to individuals and corporate surveyors during 2012-13 and



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first quarter of 2013-14 (April-June) are as follows:

NO.OF LICENSES ISSUED TO SURVEYORS AND LOSS ASSESSORS			
Particulars		2012-13	April to June, 2013
Fresh Licenses	Individual	202	73
	Corporate	13	2
	Total	215	75
Renewals	Individual	1692	647
	Corporate	14	3
	Total	1706	650
Trainee Enrolments		646	8

GRIEVANCES - SURVEYORS AND LOSS ASSESSORS

The Regulatory Authority reports that during the year 2012-13, it received 115 fresh complaints against surveyors , while 116 complaints (old and new) had been resolved and 3 complaints remained outstanding at the end of the year. During the period April, 2013 to June, 2013, 20 additional complaints had been received of which 14 complaints had been addressed and 9 complaints had remained outstanding. These have since been resolved (details as in table)

GRIEVANCES RELATING TO SURVEYORS AND LOSS ASSESSORS				
For the period	Outstanding at the beginning of the period	Received during the period	Addressed during the period	Outstanding at the end of the period
2012-13	4	115	116	3
April 2013-June,2013	3	20	14	9



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The Institute has not received any complaints nor has the Regulatory Authority referred any complaints to the Institute.

THANKS

The Council wishes to place on record it's appreciation of the assistance, support, help and co-operation extended by the Department of Finance, Ministry of Finance, and the Regulatory Authority during the course of the year.

But foremost, the council once again thanks its members for the forbearance and patience shown during this period.

Thank you for your support and cooperation during trying times

Signed : Sunil Vora

Honorary President

Date : February 07 ,2014

Name of Company	INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS
Current year Ending	As at March 31, 2013
Previous Year Ending	As at March 31, 2012
Current Period	2012-13
Previous Period	2011-12
Status	Company
Date of Incorporation	04.10.2005
PAN	AABC15700M
Address	3 RD FLOOR PARISHRAM BHAVAN BASHEERBAGH, HYDERABAD-500029

INDEPENDENT AUDITORS' REPORT

To The Members of
INDIAN INSTITUTE OF INSURANCE SURVEYOR AND LOSS ASSESSOR

Report on the financial statements

1. We have audited the attached financials statements of INDIAN INSTITUTE OF INSURANCE SURVEYOR AND LOSS ASSESSOR, which comprise of balance sheet as at 31st March 2013 and the Income & Expenditure Account for the year ended on that date and a summary of significant accounting policies and their explanatory statement.

Management's responsibility for the financial statements

2. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

5. We believe that the audit evidence we have obtained is sufficient and appropriate, *except for the matter referred in paragraph 6 of Basis for Disclaimer Opinion*, to provide a basis for our disclaimed audit opinion.

Basis for Disclaimer Opinion

6. *We draw attention to Note No.18 where it is mentioned certain receipt books and receipts are missing and Note No.20 where it is mentioned that the transactions pertaining to various chapters/zones of the institute are not recorded, thereby the effect of which on the Assets, Liabilities and surplus could not be ascertained.*

Disclaimer Opinion

7. In our opinion and to the best of our information and according to the explanations given to us and *except for the effects of the matter described in basis of disclaimer opinion paragraph*, the Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India:
- a. In the case of the balance sheet, of the state of affairs of the company as at 31 March 2013, and
- b. In the case of the statement of Income & Expenditure, of the Surplus for the year ended on that date,

Emphasis of Matter

8. Without qualifying our opinion, we draw attention to:

We draw attention to Note No. 13 regarding the bulk cash deposits in the bank accounts, where the institute has provided for income, however such deposits could not be identified for the source therefor, accordingly the register of members is not updated to such an extent.

Report on other legal and regulatory requirements

1. In our opinion, since the company is licensed under section 25 of the Companies Act, 1956, the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act and the matters specified therein are not applicable to the company.

As required by section 227(3) of the Companies Act, 1956, we report that:

(a) *Except for the matters described in the basis for Disclaimer Opinion paragraph*, we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b) *Except for the matters described in the basis for Disclaimer Opinion paragraph* ,in our opinion, proper books of account as required by law have been kept by the Company so far as appear from our examination of those books and proper returns adequate for the purposes of our audit have been received from power purchase committee;

(c). *Except for the matters described in the basis for Disclaimer Opinion paragraph* ,the Financial statements dealt with by this report are in agreement with the books of account;

(d) with reference to Section 133 of the Companies Act, 2013 which is effective from 12th September, 2013 and further with reference to MCA Circular No.16/2013 Dt.18.09.2013 and subject to *the effects of the matter described in basis of disclaimer opinion paragraph*, in our opinion, the Financial Statements comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956; and

(e) On the basis of written representation received from the directors of the company as at 31st march, 2012 and taken on record by the board of directors, we report that no director is disqualified from being appointed as a director of the company under clause (g) of sub section (1) of the Section 274 of the Companies Act, 1956.

For SHARAD & ASSOCIATES
Chartered Accountants
Firm Reg No. 063775






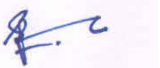
SHARAD SINHA
Partner
M. No: 202692



Hyderabad, dated this
16th day of December, 2013

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

Balance Sheet as at March 31, 2013

Particulars	Note No.	As at March 31, 2013	As at March 31, 2012
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital		-	-
(b) Reserves and surplus	3	6,04,31,301	5,20,64,646
(c) Money received against share warrants		-	-
2 Share application money pending allotment		-	-
3 Non-current liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long-term provisions		-	-
4 Current liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables		-	-
(c) Other current liabilities	4	3,77,266	30,89,826
(d) Short-term provisions	5	19,59,988	5,78,678
TOTAL		6,27,68,554	5,57,33,150
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
Tangible Assets	6	86,325	20,219
Intangible Assets		-	-
Capital Work - in - Progress		-	-
Intangible Assets under development		-	-
(b) Non-current investments	7	55,42,848	1,90,67,240
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances		-	-
(e) Other non-current assets	8	1,20,000	1,20,000
2 Current assets			
(a) Current investments	9	1,25,00,000	2,41,50,000
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and cash equivalents	10	4,09,50,176	44,15,317
(e) Short-term loans and advances	11	12,12,972	9,89,513
(f) Other current assets	12	23,56,233	66,51,444
TOTAL		6,27,68,554	5,54,13,733
Notes forming Integral part of accounts	1-21		
As per our report of even date attached			
<p>For SHARAD & ASSOCIATES Chartered Accountants Firm Reg.No.0063775</p>  <p>SHARAD SINHA Partner M. No 202692 Hyderabad, dated this 16th of December 2013</p> 	<p>For and on behalf of the Board</p>   <p>President Vice-President</p>		

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

Statement of Income & Expenditure For The Year Ended March 31, 2013

Particulars	Note No	2012-13	2011-12
I. Revenue from operations	13	77,05,766	72,58,127
II. Other income	14	11,49,348	82,651
III. Total Revenue		88,55,114	73,40,778
IV. Expenses:			
Cost of materials consumed		-	-
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-
Employee benefits expense	15	7,17,687	7,87,859
Operation and Other Expenses	16	42,43,102	39,67,521
Finance Costs	17	2,281	7,401
Depreciation and amortization expense	6	14,994	7,295
V. Total expenses		49,78,064	47,70,076
VI. Surplus before exceptional and extraordinary items and tax (III-IV)		38,77,050	25,70,702
VII. Exceptional items		-	2,13,503
VIII. Surplus before extraordinary items and tax (V - VI)		38,77,050	23,57,199
IX. Extraordinary Items		-	-
X Surplus before tax (VII- VIII)		38,77,050	23,57,199
XI Tax expense:			
(1) Current tax		11,50,452	6,78,486
(2) Deferred tax		-	-
XII Surplus (Defecit) for the period from continuing operations (VII-VIII)		27,26,598	16,78,713
XIII Surplus/(Defecit) from discontinuing operations		-	-
XIV Tax expense of discontinuing operations		-	-
XV Surplus/(Defecit) from Discontinuing operations (after tax) (XII-XIII)		-	-
XVI Surplus (Defecit) for the period (XI + XIV)		27,26,598	16,78,713
Notes forming Integral part of accounts	1-21		

As per our report of even date attached to the Balance Sheet

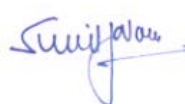
for SHARAD & ASSOCIATES
Chartered Accountants
Firm reg.No. 006377S



SHARAD SINHA
Partner
M. No 202692



For and on Behalf of Board of Directors



President



Vice-President

Hyderabad, dated this 16th of December 2013

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

NOTES FORMING PART OF FINANCIAL STATEMENTS

3 - RESERVES & SURPLUS

Particulars	As at March 31, 2013	As at March 31, 2012
a Corpus Fund		
Opening balance	38,45,756	2,80,68,000
(+) Unappropriated Admission & Membership Fee	14,69,700	1,32,07,010
(+) Interest income from Earmarked Investments	37,23,145	21,95,746
Sub Total	90,38,601	4,34,70,756
(+) Admission Fee Collection in current year	7,20,000	3,75,000
Sub Total	97,58,601	4,38,45,756
(-) Allocation to Building Fund	-	1,50,00,000
(-) Allocation to Training & Education Fund	-	1,50,00,000
(-) Allocation to Research Fund	-	1,00,00,000
Total	97,58,601	38,45,756
b. Building Fund		
Opening balance	1,50,00,000	-
(+) Funds allocated during the year	-	1,50,00,000
Sub total	1,50,00,000	1,50,00,000
c. Training & Education Fund		
Opening balance	1,50,00,000	-
(+) Funds allocated during the year	-	1,50,00,000
Sub total	1,50,00,000	1,50,00,000
d. Research Fund		
Opening balance	1,00,00,000	-
(+) Funds allocated during the year	-	1,00,00,000
Sub total	1,00,00,000	1,00,00,000
e. Surplus		
Opening balance	79,46,102	1,97,47,187
(-) Funds Transferred to Specific Fund	0	-1,32,07,010
(-) Excess of income over expenses for the current year	27,26,598	16,78,713
Sub Total	1,06,72,700	82,18,890
Closing Balance	6,04,31,301	5,20,64,646

f) Corpus Fund: Rs. 97,58,601. The Corpus Fund constitutes the one time admission fees collected from members. During the period Rs. 7,20,000 is collected(Previous Year Rs.375000). There have been un-reconciled balances with respect to admission fees remitted by applicants during the previous accounting periods .

g) During the year a sum of Rs,14,69,700 which was being carried in the books since 2006-07 as Unappropriated Admission & Membership Fee has been transferred to Corpus Fund as Management believes that such sum is not payable back to the contributor nor the carrying of liability is justified in view of changed Membership norms being implemented during 2012-13.

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

NOTES FORMING PART OF FINANCIAL STATEMENTS

4 - OTHER CURRENT LIABILITIES

<u>Particulars</u>	As at March 31, 2013	As at March 31, 2012
Unappropriated Admission and Membership Fees	-	14,69,700
Liability for Expenses	-	8,21,742
<i>Past and Present Directors</i>		
J P Singh	78,078	-
Ashok Kumar	92,480	2,55,333
D Chandrashekar Raju	-	9,676
R K Elango	-	3,12,192
Sanjay Supriya	63,782	26,962
Lalit gupta	-	74,153
Sunil Vora	66,154	63,834
Rakesh Soni	49,224	37,684
S K Agarwal	27,548	18,550
Total	3,77,266	30,89,826
<p>a) The directors and council members are reimbursed for travel expenses incurred with respect to travel undertaken for the administrative purposes of the Institute. A sum of Rs:3,77,384 (Previous year Rs:7,98,384) is payable to the past and present directors against such travel undertaken.</p>		
<p>b) Advance towards Entry & Membership Fees: Rs. 14,69,700 The said amount represents the money received from members which is carried over from the past and appropriated to Corpus Fund during the year. Also refer Note No. 3 (g)</p>		

5 - SHORT TERM PROVISIONS

<u>Particulars</u>	As at March 31, 2013	As at March 31, 2012
(a) Audit fee Payable	1,46,920	1,15,093
(b) Liability for Expenses	5,55,686	8,21,742
(c) TDS Payable	15,660	-
(d) Provision for Income Tax	12,41,722	4,63,585
Total	19,59,988	14,00,420

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

NOTES FORMING PART OF FINANCIAL STATEMENTS

6 - FIXED ASSETS

Fixed Assets	Gross Block					Accumulated Depreciation				Net Block			
	As at April 1, 2011	Additions	Deletions/ Adjustments	Acquired through business combinations	Translation exchange difference	As at March 31st, 2012	As at April 1, 2011	Depreciation charge for the year	Translation exchange difference	Deletions/ Adjustments	As at March 31, 2012	As at March 31, 2013	As at March 31, 2012
a Tangible Assets Furniture and Fixtures Office Equipments	-	-	-	-	-	-	-	-	-	-	-	-	-
	45,000	81,100.00	-	-	-	1,26,100	24,781.00	14,994	-	-	39,775	86,325	20,219
Total	45,000	81,100	0	0	0	1,26,100	24,781	14,994	0	0	39,775	86,325	20,219
Grand Total previous year	2,65,182	-	2,20,182	-	-	45,000	72,227	7,295	-	54,741	24,781	20,219	

	original cost	Op Dep	Curr Dep	CI Dep	wdv. Balance
Computer Delhi	39400	21821	6387	28208	11192
Computer Trichy	5600	2960	908	3868	1732
Computers-AO-HYD	76500	0	3100	3100	73400
Printer-Ao-Hyd	4600	0	4599	4599	1
	126100	24781	14994	39775	86325

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

NOTES FORMING PART OF FINANCIAL STATEMENTS

7 - NON CURRENT INVESTMENTS

Particulars	As at March 31, 2013	As at March 31, 2012
a. Secured, considered good		
Ear Marked Investments	50,00,010	1,75,00,010
Interest Accrued on Ear Marked Investments	5,42,838	15,67,230
Total	55,42,848	1,90,67,240.00

c. Details of Ear Marked Investments

Particulars	As at March 31, 2013	As at March 31, 2012
UNION BANK OF INDIA		
Fixed deposit - ROI, Maturity Date	-	1,25,00,000
Interest Accrued on Fixed deposit	-	10,24,392

SYNDICATE BANK		
Fixed deposit - ROI, Maturity Date	50,00,010	50,00,010
Interest Accrued on Fixed deposit	5,42,838	5,42,838

8 - OTHER NON CURRENT ASSETS

Particulars	As at March 31, 2013	As at March 31, 2012
1. Unsecured, considered good		
Rent Deposit	1,20,000	1,20,000
Less: Provision	-	-
Total	1,20,000.00	1,20,000.00

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

NOTES FORMING PART OF FINANCIAL STATEMENTS

9 - Current Investments

Particulars	As at March 31, 2013	As at March 31, 2012
Ear Marked Investments - Fixed deposits with maturity less than 12 months with Union Bank of India (Previous Year with ICICI Bank)	12500000	24150000
Total	12500000	24150000

10 - CASH & CASH EQUIVALENTS

Particulars	As at March 31, 2013	As at March 31, 2012
a. Cash and Cash Equivalents		
(i) Balances with banks		
In Savings Accounts	9051371	4415317
In Earmarked Bank Accounts	31891555	0
(ii) Cash on hand	7250	0
Total	40950176	4415317

11 - SHORT TERM LOANS & ADVANCES

Particulars	As at March 31, 2013	As at March 31, 2012
a. Unsecured, Considered good		
Loans & Advances to related parties	598822	272237
Loans & Advances to Zones/Chapters	486627	428526
Other Loans & Advances	127523	288750
Less: Provision	0	0
Total	1212972	989513

b. Loans & advances to related parties includes

Particulars	As at March 31, 2013	As at March 31, 2012
(i) Unsecured		
Directors	0	0
Past Directors of the Company	598822	272237
Less: Provision	0	0
Total	598822	272237

c. Funds paid to or vested with the past directors in the previous accounting periods or in the current accounting periods with respect to which details have not yet been furnished or received or where details have not been made available in spite of requests by the administration, have been recorded as receivables. The Board has taken fresh initiatives to obtain the details with respect to the application of these funds or to recover these funds.

d. Rs.127523 is recoverable from Mr. Arun V A ,Chennai , a member of the institute on account of expenses incurred by him in connection with the AGM of the Institute during Feb'13. In the absence of Expense details and supporting vouchers , payments made to him is carried in the books as advance

12 - OTHER CURRENT ASSETS

Particulars	As at March 31, 2013	As at March 31, 2012
Interest Accrued on fixed deposits	2183115	1755472
TDS Receivable 2010-11	173118	173118
Subscription receivable	0	4722854
Total	2356233	6651444

INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

NOTES FORMING PART OF FINANCIAL STATEMENTS

13 - REVENUE FROM OPERATIONS

Particulars	2012-13	2011-12
Subscription Fee	69,34,466	6412500
Seminar fee	7,71,300	845627
Total	77,05,766	7258127

Certain bulk deposits of cash was noticed in bank account which have been accounted as Subscription without appropriating them against the respective members from whom such amounts have been received. This has resulted owing to on rendering receipt book by the Past President Shri R K Elango.

14 - OTHER INCOME

Particulars	2012-13	2011-12
Interest Income		
Interest from bank deposits	43,77,563	2278397
Revenue Subsidy	4,50,000	0
Other income	44,930	0
Sub total	48,72,493	2278397
less: Interest from Earmarked investment transfer to corpus fund	37,23,145	2195746
Total	11,49,348	82651

Details of Interest Income

Particulars	As at March 31, 2013	As at March 31, 2012
Union Bank Of India	10,49,504	1049504
Tds on above	1,04,950	104950
ICICI Bank	10,05,648	1005648
Tds on above	1,00,565	100565
Syndicate Bank	93,857	93857
Tds on above	9,385	9385
Interest from saving bank	1,29,388	129388

15 - EMPLOYEE BENEFIT EXPENSE

Particulars	2012-13	2011-12
Salaries and incentives	6,96,095	715859
Staff Welfare	21,592	0
Gratuity	-	72000
Total	7,17,687	787859

16 - OPERATION & OTHER EXPENSES

a.

Particulars	2012-13	2011-12
Administrative Office Rent	2,46,400	84000
Ahmedabad Office Rent	1,44,000	120000
Repairs & Maintainence		
- Office Equipments	6,000	40624
- Office	35,931	46276
Rates & Taxes	86,529	22303
Adevertisement	9,340	0
News Papers & Periodics	1,200	0
Worshops, Seminars & Training Expenses	15,85,693	1200656
Consumer Awareness Expenses	15,000	0

Insurance Premium for members PA Group Insurance	-	670080
Telephone & Communication Expenses	43,441	63807
Travelling Exp	8,26,467	709545
Election Expenses	-	16938
Electricity Expenses	20,717	9269
AGM Expenses	3,92,143	250000
Legal Exp	31,000	449070
General & Misc Expenses	44,666	8779
Postage & Courier	17,557	117660
Printing & Stationery	35,600	105400
Professional Charges	5,96,905	6213
Interest on Tds	3,390	833
Total	41,41,978	3921453

(b) Travelling expenses are reimbursed to the members of the Board on the basis of vouchers submitted by them and approved by the Board. A sum of Rs:3,77,266 represents the amount which had been expended by the members of the Board during the accounting period and which were yet to be reimbursed as at the date of the Balance Sheet. These were subsequently paid.

(c) General Expenses & Miscellaneous Expenses includes Website Maintenance Charges (Rs.22000) for the year 2012-13

d. Payment to Auditors

Particulars	2012-13	2011-12
	Payments to the auditor as auditor	50,000
for tax matters	40,000	0
for Service tax on audit fee,	11,124	5068
Total	1,01,124	46068
Grand Total (a+b)	42,43,102	3967521

17 - FINANCE COSTS

Particulars	2012-13	2011-12
	Bank Charges	2,281
Total	2,281	7401

18. Under the directives of the High Court, Ahmedabad pronounced on July 24,2012 , the IRDA had been empowered to take possession of all the records of the Institute said to have been retained by the previous office bearers at the Administrative Office at Ahmedabad. Unfortunately, several important records and documents (including the Fixed Deposit Receipts) were missing from the administrative office and could not be recovered in entirety.

The accounts for the period under audit (Untill 30.06.2012)have been drawn up based on such records and documents as had been recovered by the IRDA and possessed by the Institute from the IRDA. Many of the vouchers were found to be short of appropriate recording or supports. Many payments traced from bank statements retrieved by the administration from the Institutes bankers, had been effected by the then management without appropriate supporting bills, invoice and vouchers. These payments and expenses have been accounted on a presumptive basis, based on the identification and analysis of the nature of such payments or the entities to whom the payments had been effected. Accordingly, some errors and omissions may have crept into accounts drawn up for the year in consequence of absence of or on account of inadequacy of vouchers, bills, invoices or other supporting data. The board is however confident that the in spite of the possibility of some errors in accounting expenses under appropriate heads, the accounts do not distort from presenting a true and fair picture of the state of the financial affairs of the Institute and that the accounts presented are free from any material misstatements.

19. The Management has consulted experts and has been advised that as it has been registered as a Company for promotion of Education and Training (otherwise than conduct of business for profit) under Section 25 of the Companies Act, 1956, it would be treated as a Mutual Organisation and will not be liable to tax on annual subscriptions collected from members, so far as it pursues it's main objectives. It would however, need to tender tax on the earning of interest. Accordingly, a provision for tax has been made in the accounts.

The Board's application with the Tax Authorities for exemption under Section 80G of the Income Tax Act has not been approved on accounts of the delays in filing of accounts, various compliances under the Companies Act and the failure to apply it's income for the primary objectives of the Institute.

20. The Zones, Chapters and Units were served with notices to submit accounts for the monies entrusted to them for the purposes of the activities of Institute or collected by them on behalf of the Institute. Unfortunately, except for a few of the Zones and Chapters, most have failed to submit any accounts. Consequently, the accounts of the Institute as presented, do not include transactions, receipts, payments and of Assets and Liabilities of the Zones/Chapters/Units under Audit. This was also true of the previous accounting year.

21. Previous Figures are regrouped & rearranged so as to make them comparable with that of the current year where ever considered necessary more so in the light of first time application of new revised schedule VI.

As per our report of even date attached

for SHARAD & ASSOCIATES
Chartered Accountants
Firm reg.No. 006377S



A handwritten signature in blue ink, appearing to read "S. Sinha".

SHARAD SINHA
Partner
M. No

Hyderabad, dated this 16th December, 2013

For and on behalf of the Board

A handwritten signature in blue ink, appearing to read "Srinivasan".

President

A handwritten signature in blue ink, appearing to read "R. C".

Vice-President

ANNEXURE-I
INCORPORATED
UNDER THE COMPANIES ACT, 1956
(1 OF 1956)
(ASSOCIATION NOT FOR PROFIT)
ARTICLES OF ASSOCIATION
OF
INDIAN INSTITUTE OF INSURANCE
SURVEYORS AND LOSS ASSESSORS

Unless the context otherwise requires, words or expressions contained in these articles shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these articles become binding on the Institute, the following shall be the Articles of the Institute in so far as they are not repugnant to the regulations contained in Table 'C' in the First Schedule of the Companies Act, 1956 read with the conditions contained in the license under section 25 of the Companies Act, 1956.

INTERPRETATION

- The words and expressions used in the M& AOA, but not defined therein, shall have the same meaning as defined in the Companies Act, 1956, Insurance Act, 1938 and IRDA Act,1999 and Regulations made there under for Surveyors and Loss Assessors.
- The general Clauses Act, 1897, shall apply so far as may be to the interpretation of words and expressions used in the M&AOA
- The provisions of M&AoA shall be in addition to and not in derogation of the provisions of any other law for the time being in force

1. In these articles:-

- a) "Act" means the Companies Act, 1956, including any amendment or statutory modification thereof.
- b) 'IRDA' means the Insurance Regulatory and Development Authority established under Section 3 of the Insurance Regulatory and Development Authority Act, 1999 (Act No. 41 of 1999).
- c) 'License' means the License issued by IRDA; under section 64UM of the Insurance Act 1938, read with IRDA Act 1999, Rules & Regulations made under both the Acts, to act as a Surveyor/ Loss Assessor.
- d) 'Financial Year' means the year commencing on the 1st day of April and ending on 31st day of March of next year ever year.
- e) 'the Institute' means INDIAN INSTITUTE OF INSURANCE SURVEYORS AND

LOSS ASSESSORS,(IIISLA) promoted by IRDA (on the advice and in consultation with Govt. of India) in terms of Sec.14 of the IRDA Act,1999 and registered with The Registrar of Companies under Sec.25 of the companies Act vide certification of incorporation 47675 of 04th October'2005.

- f) the 'Seal' means the Common Seal of the Institute.
- g) 'SLA' a person who is a member of the institute including (director/partner) of a company/ means Insurance surveyors and Loss Assessors (including Partner and Director of SLA Companies / Firm whose name is exhibited in the License) duly licensed by IRDA who conducts his duties and functions in an impartial, unfair and transparent manner. Every SLA employed with insurer shall involve only in survey and loss assessment and shall not involve in settlement of claims.
- h) 'Council' means the Board of Directors of the Company as per the Companies Act,1956.
- i) 'the President' means the President of the Institute.
- j) 'the Vice-President' means the Vice-President of the Institute'
- k) 'Profession' means the profession of Insurance Surveyors and Loss assessors.
- l) 'Promoter Member' means a subscriber to the memorandum of association.
- m) 'Register' means the Register of Members maintained by the Institute at the Registered Office under the Articles of Association.
- n) 'the member' means a person whose name has been entered in the Register of members of the Institute and who holds the license issued by the IRDA and obtains a certificate of membership from the Institute.
- o) 'Membership' means level of the member of the Institute i.e. Student Member, Licentiate member, Associate Member and Fellowship Member.
- p) 'Student Member' means any person who is a member of the institute and enrolls himself as trainee with IRDA for seeking practical training to obtain a license to act as 'Surveyor & Loss Assessor'.
- q) 'Licentiate' means the Licentiate member of the Institute and holds a valid surveyor license issued by IRDA and fulfills the training other criteria as defined in the IRDA surveyor regulations specified in articles.
- r) 'Associate' means Associate member of the Institute and holds a valid surveyor license issued by IRDA and fulfills the training and other criteria as defined in IRDA surveyor regulations and specified in the articles.
- s) 'Fellow' means a fellow member of the Institute and holds a valid surveyor license issued by IRDA and fulfills the training and other criteria as defined in IRDA surveyor regulations and specified in the articles.
- t) 'Categorized' means Surveyors & Loss Assessors (SLA) duly licensed by IRDA under provisions of; the Insurance Act, IRDA Act, Rules & regulations made by Institute including any statutory amendment/modification thereof, and allotted a particular level of

membership by the institute (Licentiate, Associate & Fellow) based on the criteria set out in the Surveyor Regulation, and governed by the Code of Conduct and Code of Ethics specified in the Surveyor Regulations and/ or in the M&AOA of the Institute.

- u) 'Committee' means any committee constituted that has been specified in the memorandum and articles of association and such other committee/committees that may be constituted by the council from time to time in discharge of its duties, powers and functions, .
- v) 'Disciplinary Committee' means the committee so constituted in exercise of the powers conferred under these Articles and includes any such committee constituted by IRDA for conducting proceedings against any member of the Disciplinary Committee as stated above.
- w) 'Membership Committee' means the members for the time being of the Membership Committee of the Institute constituted in the manner prescribed by these Articles.
- x) 'Zone' means grouping of geographical areas into four parts (such as, North, South, West and East) by including such geographical areas in each of the parts as may to be decided by the Council.
- y) 'Chapter' means the geographical area of a state which can be modified to create more chapter or chapters as per the genuine needs of the members in particular and surveyors in general as may be decided by the council and shall be a sub category of a Zone.
- z) 'Unit' means the geographical area of one or more cities, towns and / or places under municipal / panchayaths, identified and / or grouped together, to form basic structure at bottom of the hierarchy of the organization, and will be a sub category of 'Chapter'.
- aa) Words importing masculine gender shall also include feminine gender and vice versa.

MEMBERSHIP

- 2.(i)** For the purpose of registration, the number of members of the Institute is declared to be unlimited. The Membership shall be restricted only to individuals, including directors / partners of a company/ firm, who are citizen of India and who are holding / eligible to hold a license as defined herein to practice as Insurance Surveyor and Loss Assessor in their individual capacity.
- (ii)** Every SLA, working as an employee other than above categories / General Insurance Company holding SLA license in individual capacity shall be eligible to be registered as a member of the institute on submission of application to the Institute in the prescribed format and upon payment of prescribed fee as determined by the Institute.
- iii)** Every student member for the purpose of seeking license to act as Surveyor and Loss Assessor. shall undergo practical training and pass examination as specified in IRDA Surveyors Regulations.

In addition to the above, he shall undergo such other training that may be specified by the Institute from time to time.

- iv)** Every member including Student member of the institute shall be governed by the Code of Ethics and Code of Conduct framed by the Institute from time to time.

3. All persons, of good conduct and behavior, who are willing to observe the regulations of the Institute and who are holding valid Insurance Surveyor and loss assessor licence as defined herein and categorized as defined herein, shall be eligible for admission as members of the Institute. Membership of the Institute shall consist of the following four classes :-

a. **Promoter Member:-** The Promoter Member need not have any qualification as prescribed in the Articles of Association for becoming a Member of the Institute. However, such Promoter Members shall not carry on such professional activities as ought to be carried on by Members who are having requisite qualification. Provided that the Promoter Members having such Professional Qualification as defined /prescribed in the Articles of Association or the Regulations may carry on the Profession. The Promoter members are only the subscribers to the Memorandum and Articles of Association for the purpose of incorporation of this Institute and shall not be responsible to do such acts and perform such duties as may be required under these Articles or Regulations which are required to be done or performed by Associate Members and / or by Fellow Members.

b. **Licentiate Member:-**Any person; holding a valid license issued by the Authority for a period of less than eight years and categorized as defined herein, who is in the profession of Insurance Surveyors and Loss assessors or any person upon passing of such examination and completion of such training as may be prescribed by IRDA and holding valid license issued by IRDA, for becoming the members of the Institute, shall on application to the Institute and approval by the council obtain Licentiate Membership.

Licentiate members, in order to be eligible for upgradation to the next level of membership shall in addition to holding valid license issued by IRDA continuously for not less than 8 years without any break, undergo training, seminar, etc, to be conducted by the Institute as set out in the IRDA surveyor regulation and make an application to the Institute in the prescribed form to obtain Associate Membership. Such upgradation is subject to the approval of the Council.

c. **Associate Member:-** Any Licentiate Member holding valid license continuously for a period not less than 8 years and Categorized as defined herein, who is in the profession of Insurance Surveyors and Loss assessors, upon completion of such training, seminars etc as set out in IRDA surveyor regulations and to be conducted by the Institute, shall apply to the Institute to obtain Associate Membership..

Associate members, in order to be eligible for upgradation to next level of membership shall in addition to holding valid license issued by IRDA continuously for period not less than 8 years, undergo training, seminar, etc, as set out in the IRDA surveyor regulations and conducted by the Institute apply to the Institute in the prescribe format to obtain Fellow membership. Such upgradation is subject to the approval of the Council

d. **Fellow Member:-** Any Associate Member holding valid license continuously for a period not less than 8 years and Categorized as defined herein, who is in the profession of Insurance Surveyors and Loss assessors, upon completion of such training, seminars etc to be conducted by the Institute as set out in IRDA surveyor regulations and shall on application to the Institute and subject to the approval of the council obtain FellowMembership.

4. Members of the Institute shall pay a one time admission fee and annual membership fee, as prescribed in the articles before his name is entered in the Register of Members.

Thereafter a member; (other than student member); shall pay Annual Membership fee as may be prescribed by the Council of the Institute, from time to time.

5. Every member shall have one vote. Student member shall not have voting right. Only those who are licensed surveyors and members of the Institute shall have voting right.
6. No member shall be entitled to vote unless all fees payable by him to the Institute have been duly paid.
7. Every member, except otherwise specified herein, may enjoy such rights, benefits and privileges provided herein.
8. (a) Every member shall be bound to further to the best of his ability the objects, interest and influence of the Institute and shall observe all the rules/regulations/directives and instructions of the Institute as may be prescribed.
(b) Every member should attend minimum number of seminars, workshops or any other continuing education program organized by the Institute during his tenure of license (i.e 5 years) before his license falls due for renewal, as decided by Institute from time to time.
(c) Every SLA, director of an SLA Company or partner of an SLA firm whose name is specified in the license(including the schedule forming part of the license) issued by IRDA, employee SLA of such company/firm shall be a member of the Institute and deemed to have signed a covenant to abide by the : Institute's Code of Ethics, guidelines and provisions of M&AOA.
9. Any member may resign or withdraw from the Institute by giving 1 (one) month notice in writing to the Institute of his intention to do so. The Council shall take necessary action in this regard and communicate its decision within 30 days of the date of receipt of the notice.
10. Any member who resigns his membership or ceases to be member of the Institute shall have no more interest or rights in the Institute and shall not be entitled to refund of any contributions, fees or subscriptions previously paid by him.

ENTRY OF NAMES IN THE REGISTER

11. All persons who are members of the Institute as per provisions of Article 3 shall be eligible to have their names entered into the Register of Members. Any member whose surveyor license has been suspended / cancelled / renewal refused shall forthwith inform the Institute.

DISABILITIES

12. Notwithstanding anything contained in these Articles, a person shall not be entitled to have his name entered in or borne on the Register if he/she:
 - i) is of unsound mind and stands so adjudged by a competent Court; or
 - ii) is an un-discharged insolvent; or
 - iii) being a discharged insolvent, has not obtained from the Court a Certificate, stating that his insolvency was caused by misfortune without any misconduct on his part; or

- iv) has been convicted by a competent Court of any offence involving moral turpitude and punishable with imprisonment or of an offence, not of a technical nature, committed by him in his professional capacity unless in respect of the offence committed he has either been granted a pardon or, or an application made by him in this behalf, the Council has, by an order in writing, removed the disability; or
- v) has been removed from members of the Institute on being found on inquiry to have been guilty of professional or other misconduct.

Provided that a person who has been removed from membership for a specified period, shall not be entitled to have his name entered in the Register, until the expiry of such period and except on an application being made for that purpose and on payment of any fee or other amount that may be recovery from him.

REGISTER OF MEMBERS

- 13(1) The Council shall maintain a Register of Members of the Institute at the Registered Office.
- (2) The Register shall include such information obtained by the institute from its members in the format prescribed by it.
 - (3) The Council shall cause to be published the list of Members at such intervals and in such manner as may be considered expedient, and shall, if required to do so by any such member, send to him a copy of such list, on payment of such fees as may be determined by the Council from time to time.
 - (4) Every member of the Institute shall, prior to his name being entered in the Register, pay such admission fee as may be determined by the Council from time to time.
 - (5) The Institute shall submit periodicals returns containing details of members to IRDA. The Institute shall also inform IRDA periodically about death of members for cancellation of their license by IRDA as provided under IRDA Surveyor Regulations.

REMOVAL FROM THE REGISTER

- 14(1) The Council may remove from the Register the name of the member of the Institute:
- i) who is dead;
 - ii) from whom a notice of resignation has been received ;
 - iii) who has not paid prescribed annual membership fee required to be paid by him within stipulated time as per the regulations in force;
Provided that a member, whose name has been removed under this sub-clause, may be readmitted at the same level of membership prior to his/her removal, after he deposits the dues with arrears and readmission charges and such readmission shall be at the discretion of the council and in the prescribed manner.
 - iv) Who is found to have been subject at the time when his name was entered in the Register, or who at any time thereafter has become subject to any of the disabilities mentioned in these Articles, or who for any other reason has ceased to be entitled to be certified to have his name borne on the Register.

- (2) The Council shall remove from the register the name of the member in respect of whom

such orders have been passed under these Articles removing him from membership of the Institute.

- (3) That a member whose name is removed from the register in view of any of the above clauses, may be re-admitted, in the same level of membership allotted by the institute, prior to his/her removal in order to; safeguard genuine difficulties, in the interest of natural justice and deserving cases, the absence of which will render to such individual irreparable loss and untold misery and loss of rights available to a responsible Citizen of India. Such a re-admission shall be at the discretion, exercised in a transparent and professional manner, of the Council and in the prescribed manner with due consideration of the recommendations of the committee specified/constituted by the council.

ADMINISTRATION

- 15 (1) There shall be a Council of the Institute for the administration of the Institute having a permanent Administration and Secretarial Section to perform its administrative & treasury functions. These duties and functions shall be under the general supervision of President, in his absence the Vice President and/or Executive Committee constituted by the Council. These functions shall be in addition to any other function/s that may be delegated to it by the council from time to time.
- 2) The Council shall consist of not less than 3 members and not more than 15 members.*
- a) i) Eight members shall be elected at the rate of two members from each of the four Zones &
ii) Four members shall be elected on All India basis.
- Provided** that to qualify for being an elected member of the council, a member shall be a member of the institute.
- b) Nominee Directors:
- i) One nominee each to be nominated by the Central Government and IRDA respectively;
ii) The Chairman of the General Insurance Council appointed under Section 64F of the Insurance Act, 1938 as an Ex-Officio member.
iii) Nominee Directors need not be the members and they are not liable to retire by rotation.
iv) Every nominated member of the Council shall hold office till the pleasure of the appointing authority concerned.
- (3) Restoration of Member: Restoration of Member can be done based on the decision taken by the council on appropriate recommendation of the Membership Committee and / or Disciplinary Committee or Privilege Committee or any other concerned Committee of the council.
- (4) Non rotational Members including Nominee Members of the Council shall not exceed 1/3 of the total strength of the Board.
- (5) The three promoter members amongst the seven promoter members as stated hereunder will act as the Council.
1. Mr. Mathew Verghese *
2. Mrs. V. Veda Kumari *
3. Mrs. Yegnapriya Bharath
- Explanation** * since both have retired their names are respectively substituted as
1. Mr.M.Rama Prasad(Member Non-Life). 2. Suresh Mathur
- (6) The Council, shall attend to all issues pertaining to Membership and Elections until the

first elected council takes over the management of the institute. And the Council may for this purpose may constitute such advisory committee(s) consisting of such members and/or persons as it may consider expedient.

16. No salaries or remuneration / fees except as provided for in the Act and subject to Clause V of the Memorandum of Association, shall be paid by the Institute to the members of the Council.
17. Subject to Clause V of the Memorandum of Association, the Members of the Council may be paid all traveling, boarding and lodging expenses properly incurred by them:
 - (a) in attending and returning from the meetings of the Council or any Committee thereof; or
 - (b) in connection with the business of the Institute.
18. The Council shall, in addition to other Committees which it may constitute from time to time shall constitute the following permanent Standing Committees:- & all the committees constituted or that may be constituted shall include one senior officer of the IRDA.
 - a) **Disciplinary Committee, as specified in Article 19.**
 - b) **Membership Committee, as specified in Article 20.**
 - c) **Grievance Committee**
 - d) **Privilege Committee**
 - e) **Executive Committee**
 - f) **Education Committee**
 - g) **Professional Development, Research, Publication & Journal Committee,**

c. **Grievance Committee** , as specified here under;

The **Grievance committee** shall consist of at least 5 members :-

1. President
2. Vice President / Ex Office Bearer of Central council
3. One Council member as nominated by council
4. Chairman or any one member as may be nominated by the chairman of GI Council)
5. One nominee from GI Council or any one member as may be nominated by the GI Council

All grievances and complaints pertaining to the profession, welfare of member, shall be enquired by the grievance committee and the finding shall be submitted to the council. Council may take suitable action.

d. **Privilege committee**, as specified here under;

The **privilege committee** shall consist of at least 6 members. :-

1. President
2. Vice President / Ex Office Bearer of central council
3. One Council member as nominated by council
4. Chairman or any one member as may be nominated by the chairman of GI Council)
5. One nominee GI Council or any one member as may be nominated by the GI Council
6. One nominee as may be nominated by Nominee director of Govt.

All complaints pertaining to unethical practice, or corruption of the council member, council office bearers and Insurance company, Insurance companies officials shall be enquired by the privilege committee and the finding shall be submitted to the council. Council may take suitable action if he is a council member or office bearers after examining the finding of privilege committee and if the complaint is against Insurance Company, or Insurance company officials, council will submit its report to the IRDA for necessary action.

e. Executive Committee , as specified here under;

To maintain the office of the Council, maintenance of true and correct accounts of all receipts and amounts on behalf of the council and other such matters, maintenance of register of members including the proceedings of the council, investment of the funds of the council, control and custody of the property - assets of the institute, other necessary disbursements, submission of reports and statements to statutory bodies, delegation necessary to be made to the officers and employees of the council, make review of decisions taken by the sub-committees through the active guidance of the President and/or the Vice President.

f. Education Committee , as specified here under,

This Committee shall also perform functions of examination, syllabus, training & education facilities and necessary evaluation; perform &/or assist the functioning of surveyors and loss assessors committee if formed by the IRDA, matters relating to holding of examination as and when permitted by IRDA, prescribe for the books for the examination, furnish information to the council for review of the decisions &/or recommendations of this Committee, enrolment of applicants seeking training & continuing education, organizing seminars & conferences, purchase of: books - magazines - equipment and the like for the library & arranging for its proper running and maintenance, suggesting to the council necessary modifications in the syllabus for all the training and examination courses of the institute, approving other organisations - if necessary - for providing necessary training and skill development of the members, evaluation norms of the training & issues pertaining to upgradation from one category to a higher category, framing such procedures and guidelines as may be necessary for the objectives and functions of the committee.

g. Professional Development, Research, Publication & Journal Committee, as specified here under;

This committee shall perform the functions such as : framing of research schemes on subject of relevance of the profession, seeking financial assistance from any of the institutions and entities connected with the profession/insurance industry - other trade & commerce, publication of the research pamphlets and other journals with the approval of the council, engaging research personnel's, maintenance of proper standards and quality of the publications and the journals, keeping in constant touch with various professional bodies including chambers of commerce and government, organizing and collaborating for purposes of professional development with regional chapters of the Institute and student/trainee members, propagating amongst the members of the institute the advisability and necessity of observing the rules of professional conduct, enhancing the name and role of the institute and doing such other things as may be advised by the Council and IRDA.

19. Disciplinary Committee :-

(1) The **Disciplinary Committee** shall consists of at least 4 members :

1. Vice-President
2. Two Member of Council as nominated by council*
- * One may be nominated from Ex-Council Member who was the member of disciplinary committee in immediate past committee.
3. Chairman or any one Member as may be nominated by Chairman of the General Insurance Council.

(2) All complaints pertaining to the professional misconduct or improper conduct of the

members shall be decided by the Disciplinary Committee and the finding shall be submitted to the Council. The Council may take suitable action on erring members, after examining the findings of the Disciplinary Committee.

- (3) The disciplinary committee shall be duty bound to take cognizance of the complaints referred by IRDA and also to send its response and action taken report within 60 days of the receipt of reference as may be directed by IRDA.
- (4) In all the proceedings conducted by Disciplinary Committee, the Committee shall ensure strict compliance of all the regulations in this regard.
- (5) Any person aggrieved, viz., the insurer, insured or the surveyor concerned, by the decision, inaction or delay in decision of the Institute in respect of any complaint made to it, shall have the right to appeal against the same to the IRDA for its attention and appropriate action, as may be deemed necessary by the IRDA.
- (6) Where any member of the Disciplinary Committee is involved in any complaint, either personally or otherwise, the Disciplinary Committee shall be constituted by the IRDA.
- (7) The Council shall take action on the erring members based on the report submitted by the disciplinary committee. Action, if any, taken against the erring member, should be communicated to IRDA within 15 days.

20. Membership Committee :-

- (1) The **Membership Committee** shall consist of at least 5 members :
 1. President
 2. Vice President
 3. One Member from Ex council as nominated by council
 4. Two members of the Central or Zonal or Chapter council as may be decided by the Central Council
- (2) The Membership Committee shall attend to all issues relating to membership and act in accordance with Regulations in this regard.

CONSTITUTION OF THE INSTITUTE

21. The Administrative Structure of the Institute shall comprise of the following:

- (i) The Head Office, shall be situated at Hyderabad.
- (ii) Four Zonal Offices shall be situated at Kolkata, Chennai, Mumbai and New Delhi, respectively.
- (iii). Each Zonal Office shall be administered by a Zonal Council comprising of Seven members each.
- (iv) Each Zonal Council shall elect from amongst its members, Zonal Office bearers comprising of Zonal Chairman, Zonal Vice-Chairman, Zonal Secretary and Zonal Treasurer respectively.
- (v) Chapter Offices as may be decided by the Council, governing the interest of the members in one or more States but in any case not exceeding one Chapter for any one State in the Union of India. Each Chapter Office shall be administered by a Council

comprising of Seven members each. Chapter shall be accountable for the activities of the units. Each chapter shall furnish to its Zonal Office, a half-yearly report and its copy marked to Head Office.

GENERAL MEETINGS

22. All General Meetings, other than Annual General Meeting, shall be called Extra Ordinary General Meeting.
23. (1) The Council may, whenever it thinks fit, call an Extraordinary General Meeting by giving notice not less than 21 days to its members by post or by e-mail or by website or by any other means as online communication vide Company Act section 171(1) and council / Board of Directors can determine the Date, Place and Time of it's EGM/AGM according to their convenience and feasibility vide Company Act Section 166(2).
- (2) The Council shall on the requisition made in writing by at least 10 percent of the members of the Institute or 100 members, which ever is less at the date of deposit of the requisition forthwith proceed duly to call an extra ordinary general meeting of the Institute and the provisions of section 169 of the Act including the following shall apply:
- a. The requisition shall set out the matters for the consideration of which the meetings is to be called , and it shall be signed by the requisitionists and shall be deposited at the registered office of the Institute.
 - b. Where two or more distinct matters are specified in the requisition, the provision of sub-clause (a) above shall apply separately in regard to each of the matters, and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that sub-clause is fulfilled.
 - c. If the Council does not, within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty-five days be called by the requisitionist themselves or by such of the requisitionists as represent 10 per cent of the Members of the Institute as is referred to in sub-clause (2) herein above.
 - d. A meeting called under sub-clause (c) above by the requisitionists or any of them shall be called in the same manner, as nearly as possible, as that in which meetings are to called by the Council, but shall not be held after the expiration of three months from the date of the deposit of the requisition.
 - e. Any reasonable expenses incurred by the requisitionists for conducting an Extra Ordinary General meeting by reason of failure of the Council to duly call such a meeting shall be reimbursed to the requisitionists by the Institute. Any sum so reimbursable shall be paid after deducting any sums due or to become due by way of fees or other expenses by the requisitionists as were in default.

PROCEEDINGS AT GENERAL MEETINGS

24. (1) No business shall be transacted at any General Meeting unless a quorum of 5(Five) Members is present at the time when the meeting proceeds to business.
- (2) Save as herein otherwise provided, 5 (Five) members present in person shall be a quorum.
25. (1) If within half an hour from the time appointed for holding the meeting, a quorum is not

present, the meeting if called upon the requisition of members shall be dissolved.

- (2) In any other case, the meeting shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at other day and at other time and place as the Council may determine.
- (3) If at the adjourned meeting, a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.

26. The President of the Institute shall preside as chairman at ever general meeting of the Institute..
27. If there is no such President, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairman of the meeting, the Council Members present shall elect one of them to be chairman of the meeting..
28. If at any meeting no Council Member is willing to act as Chairman or if no Council Member is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of them to be chairman of the meeting.
- 29 (1) The chairman may, with the consent of any meeting at which a quorum is present, and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (3) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (4) Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
30. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place, or at which the poll, is demanded shall be entitled to a second or casting vote.
31. Any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

MISCONDUCT

32. Procedure in inquires relating to misconduct of members of Institute -
 - (1) Upon receipt of information by, at or on a complaint, in writing, in regard to the services provided by a member to an insurer or insured (on payment of prescribed fees laid down in the regulations of the Institute from time to time), made to it, the Council is prime facie of the opinion that any member of the Institute has been guilty of any professional or other misconduct, the Council shall refer the case to the Disciplinary Committee, and the Disciplinary Committee shall thereon hold such inquiry and in such manner as may be prescribed, and shall report the result of its inquiry to the Council.

- (2) If on receipt of such report the Council finds that the member is not guilty of any professional or other misconduct, it shall record the finding accordingly, and direct that the proceedings shall be filed or the complaint shall be dismissed, as the case may be.
- (3) Where the finding is that the member of the Institute has been guilty of any professional misconduct, as listed below :
- a) that he/she includes in any statement , return or form to be submitted to the council any particulars knowing them to be false;
 - b) that he/she not being a fellow member of the Institute styles himself as fellow member of the Institute;
 - c) that he/she does not supply the information called for or does not comply with the requirements asked for by the council or any of its committees;
 - d) that he/she contravenes any of the Regulations of the IRDA in regard to Surveyors and Loss Assessors;
 - e) that he/she contravenes any of the provisions of these Articles and code of conduct/ethics or the regulation made there under or any guidelines issued by the council.
 - f) that he/she is guilty of such other act or commission as may be prescribed by the council;
 - g) that his/her conduct or behaviour is such that does not augur well for the edifying conduct generally expected of the members of the Institute; the Council, by adhering to the principles of natural justice, afford the member an opportunity of being heard before orders are passed against him on the case, and may thereafter make any of the following orders, namely;-
 - (i) reprimand the member
 - (ii) remove the name of the member from the Register permanently or for such period as the Council thinks fit.

Provided that any of the aforesaid orders shall be made by way of a speaking order.

Explanation: For the purpose of this clause “member of the Institute” includes a person who was member of the Institute on the date of the alleged misconduct although he has ceased to be a member of the Institute at the time of inquiry.

- (4) For the purpose of this clause, the Council and the Disciplinary Committee shall have the powers, in respect of the following matters, namely:
- a) summoning the attendance of any person and examining him;
 - b) the production of any document; and receiving evidence on affidavit.

SCOPE OF WORK OF A SURVEYOR AND LOSS ASSESSOR

- 33** (1). The scope of work of a Surveyor and Loss Assessor shall be as provided under the Insurance Act, 1938, IRDA Act,1999 and the Regulations made there under including any statutory modification/amendment thereof by institute .
- (2) Council shall exercise its powers to add value to the scope of work of the Surveyors and Loss Assessors without disregard and prejudice to the provisions of the Insurance Act and IRDA regulations made there under.

PROCEEDINGS OF MEETINGS OF COUNCIL AND COMMITTEES

- 34** (1) The Council may meet for the dispatch of business, adjourn and otherwise regulate its meetings as it thinks fit.
- (2) Any Members of the Council may make a requisition and the President / Vice President on receiving such requisition shall summon a meeting of the Council.
- 35** (1) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Council shall be decided by a majority of votes.
- (2) In case of an equality of votes the Chairman shall have a second or casting vote.
- 36.** The continuing Members of the Council may act notwithstanding any vacancy in the Council, but if and as long as their number is reduced below the quorum fixed by the Act for a meeting of the Council, the continuing Members or member of the Council may act for the purpose of increasing the number of Members of the Council to that fixed for the quorum or of summoning of a General Meeting of the Institute but for no other purpose.
- 37.** The President of the Council shall act as Chairman at every meeting of the Council. If at any meeting of the Council, the Chairman is not present within fifteen minutes after the time appointed for holding the same, the Vice President shall chair the meeting, and in any case where both the President and Vice President are not present within fifteen minutes after the time appointed for holding the meeting the members of the Council present may choose one among them to be the Chairman of the meeting.
- 38** (1) The Council may subject to the provisions of the Act, delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit.
- (2) Any Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Council.
- 39** (1) The Council while appointing a Committee shall also nominate the Chairman who shall act as the Chairman of such Committee.
- (2) If no such Chairman is nominated, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the meeting the members present may choose one of their number to be Chairman of the meeting.
- 40** (1) A Committee may meet and adjourn as it thinks proper.
- (2) Question arising at any meeting of a committee shall be determined by a majority of the votes of the members present, and in the case of an equality of vote, the Chairman shall have a second or casting vote.
- 41.** All acts done by any meeting of the Council or of a Committee thereof, or by any person acting as a Member of the Council, shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Members of the Council or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Member of the Council or such person had been duly appointed and was qualified to be a Member of the Council.
- 42.** Save as otherwise expressly provided in the Act, a resolution in writing signed by all the Members of the Council or a Committee thereof for the time being entitled to receive notice of a meeting of the Council or Committee, shall be as valid and effectual as if it had been passed at a meeting of the Council or Committee or duly convened and held.

THE COUNCIL AND ITS POWERS AND DUTIES

- 43.** The business of the Institute including its money and properties shall be managed by the Council which may exercise all such powers of the Institute as are not by the Act or by these Articles required to be exercised by the Institute in general meeting, subject nevertheless to any provision of these Articles, to the provisions of the Act, and to such regulation, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Institute in general meetings; but no regulation made by the Institute in general meeting shall invalidate any prior act of the Council which would have been valid if that regulation had not been made. The Council or any of its members shall not on behalf of the Institute, acquire any interest in land (including premises), erect, construct, demolish, reconstruct, develop, lease, let out, charge, mortgage, dispose of or otherwise deal with all or any part of the property of the Institute, borrow or raise or give security for any money by whatever means unless approved by the members in general meeting.
- 44.** i) The Council may from time to time appoint sub-committees and delegate any of its powers to sub-committees consisting of such members of the Council as it may think fit, and may, from time to time revoke such delegation or the appointment of any such subcommittee or any member thereof. Any sub-committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Council.
- ii) The Council may have nomination of outside experts into their council and committees for better achievement of their objectives and for developing the professional standards.
- 45.** i). Subject to the Provisions of the Act, the President of the Council shall act as representative of the Institute in all its affairs. He shall conduct and manage all matters in accordance with the provisions of these regulations and of all resolutions of the Council and of all general meetings, and may arrange, adjourn and otherwise regulate all meetings and proceedings of the Council.
- ii) President, in addition to his responsibilities of being in charge of administrative section of IISLA shall exercise such powers and perform such functions as may be delegated by the council from time to time. He shall have the powers of general superintendence and direction in respect of administrative matters of the council.
- iii) Institute is required to hold meetings of Board of Directors/Executive Committee/ Governing Committee only once in every six months but should have held four meetings in a year.
- iv) Institute required quorum for any meeting is eight members or one/fourth of its total strength whichever is less provided it should not be less than three members in any case.
- 46.** The Vice-President shall assist the President in the dispatch of all matters and affairs of the Institute and in the absence of the President; Vice President act on his/her behalf being in charge of secretarial of IISLA and shall exercise all powers and perform such functions as may be delegated by the council from time to time.
- 47.** i). If in between general meetings in which members of the Council are elected and any such member of the Council resigns or ceases to be a member of the Council, the remaining members of the Council shall have power to appoint by a majority resolution, any member of the Institute to fill the casual vacancy, and the person so appointed shall hold office only till the conduct of next council election.

- ii) if in between the two council elections in which the members of the council are elected any member of the council resigns or ceases to be the member of the council, the seat of the said member shall become vacant when such resignation is accepted and notified by the council.
 - iii) A member of the council, other than a nominated member, shall be deemed to have vacated his seat if he is declared by the council to have been absent without sufficient reason for three consecutive meetings of the council, or of any of the committee constituted by the council, and of which he is a member or he has been found guilty of any professional or any other misconduct and awarded penalty of fine or if his name is, for any cause, removed from the register of members.
 - iv) The remaining members of the council shall have power to appoint by a majority resolution, any member of the institute from the same zone to which the ceased or resigned member belonged to, to fill the causal vacancy and the person so appointed shall hold office till the conduct of next council election.
- 48** The President and Vice President, with the prior consent of the council, shall have powers to employ suitable persons whether or not connected with the Institute under contracts of employment in writing to assist them in carrying out their duties at such salaries/remuneration as it may think fit and such salaries/remuneration shall be paid out of the funds of the Institute. The Council shall have power to appoint or instruct agents, surveyors, contractors, accountants, solicitors, medical doctors or other consultants for the purposes of the objects or affairs of the Institute and pay their fees, expenses or charges out of the funds of the Institute subject to clause V of Memorandum of Association.

ELECTIONS

- 49.** (1) The election of the council shall be held every year in accordance with section 256 of the Companies act 1956 as amended up to date.
- (2) The process of Election shall begin by the appointment of an Election Officer, by IRDA who shall have power to appoint such officials as may deem think fit for the proper conduct of elections. His decision shall be final and binding on matters pertaining to scrutinizing of nominations and matters relating to scrutinizing the voting rights of members.
 - (3) The Notification of Elections will be made at least 75 days prior to end of the term of the Existing Council by putting the Notification on the website of the Institute and also by sending the same by post to individual members on their address available in the records of the Institute, such modification shall detail the following particulars:
 - i) the last date and time for Receipt of nominations.
 - ii) the date of scrutiny of nominations
 - iii) the last date for withdrawal of nominations
 - vi) the last date for receipt of voting papers by post.
 - v) date by which the counting of votes shall be completed.
 - vi) the date on which the results would be declared.
 - vii) any other date/s for conduct of elections.
 - (4) Nominations for candidature shall be called at least 60 days before the date of elections.
 - (5) The Filing of Nominations, their scrutiny and the dispatch of list of valid nominations to the Contestants shall be completed within 45 days prior to the date of elections.

- (6) Subsequent to the receipt of the list of valid nominations, any person who has filed the nominations can withdraw his nomination. However the notice of withdrawal shall reach the election officer at least 30 days before the date of election.
- (7) The Final list of contestants shall be published on the website and the ballot papers be sent by post not less than 15 days before the date of elections to all the members.
- (8) The electoral college for the election of the members from the four Zones to be elected and the electoral college for the election of the members to the Council on All India basis shall comprise of all Licentiate, Associate and Fellow members of the Institute. And the Ballot papers shall be so earmarked as to convey the bifurcation of election of contestant from his/her respective zone and also those contestants contesting on all India basis.
- (9) Any contestant or voter who has not paid the annual membership fees within the stipulated time shall neither be eligible to contest nor vote in the elections at any level.
- (10) For postal votes the cost of sending the ballot papers by any means of communications to the election officer within the stipulated time shall be borne by the member.
- (11) In case of postal votes, outer envelope containing the particulars of the voter with the inner envelope containing the ballot papers duly received by post or before the notified date will be examined by the election officer. Once the election officer has satisfied himself about the genuine of the ballot, the envelope would be dropped into the ballot box after affixing the signatures of the election officer.
- (12) The contesting candidate can appoint one member as an representative in his absence to represent him during the counting.
- (13) Counting of votes and declaration of results will be completed on or before the notified dates.
- (14) In case of any dispute or difference of opinion, the decision of the election officer shall be final and binding.

However the above clause shall not be applicable in case of elections of the first elected council, for which the procedure shall be laid out by the first nominated council.

TERM OF THE COUNCIL AND OTHER RELATED MATTERS

- 50.** (1) The term of the elected council shall be for a period of 12 months from the date of assuming office. The tenure of the council member shall be for a period of 3 consecutive years from the date of his election. The term of the elected council member may be reckoned from the AGM in which the said Council/Member is announced elected to the AGM **of the third year**. Thereafter, if such AGM/the election are delayed then he may continue till such time the next elected Council is constituted.

At every subsequent Annual General Meeting after the first Annual General Meeting, one third of such of the Members/Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest one third, shall retire from office.

- (2) The Directors /Members retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became the council members on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot .
- (3) The Council at its first meeting shall elect two of its elected members to be respectively the President, Vice President thereof, and as often as the office of the President, the Vice President becomes vacant the Council shall choose another elected member to be the President or the Vice President as the case may be. They shall hold office as such for a period of one year from the date on which he is chosen or till the next Annual General Meeting, whichever is earlier. However, the term of their office as such do not extend beyond their term of office as member of the Council.
- (4) On expiration of the duration of the council, if any, the President and the Vice president of the council at the time of such expiration shall continue to hold office and discharge such administrative and other duties as may be specified until such time as a new president and Vice President shall have been elected and shall have taken over charge of their duties.

RESIGNATION OF MEMBERSHIP AND CASUAL VACANCIES

- 51** (1) Any member of the Council may at any time resign from the post as council member by writing under his hand addressed to the President, and the seat of such member shall become vacant when such resignation is accepted by the Council.
- (2) A member of the Council other than those nominated shall be deemed to have vacated his seat if he is declared by the council to have been absent, without sufficient reason from three consecutive meetings of the Council, or if his name is, for any cause, removed from the Register of Members.
 - (3) If the seat of a member is vacated before his term of membership will expire in the normal course, the resulting casual vacancy may be filled up by the Council and all such appointments shall be ratified by the members in the first General Meeting held after such appointment.

Provided that any person so appointed shall hold the membership of the Council upto the date for which the member in whose place he has been chosen would have held his seat if it had not been vacated as aforesaid.

- (4) No act done by the Council shall be called in question on the ground merely of the existence of any vacancy in or defect in the constitution of the Council.

FUNCTIONS OF THE COUNCIL

- 52** (1) The duty of carrying out the provisions of this Article of Association shall be vested in the Council.
- (2) In particular and without prejudice to the generality of the foregoing powers, the duties of the Council shall include:
 - i. conducting examination for candidates for enrolment and the prescribing of fees therefore;
 - ii. recognizing foreign qualifications and training for purposes of enrolment;

- iii. maintaining and publishing of a Register of persons qualified to practice as Surveyors and Loss Assessors, issuing certificate of membership and practice;
- iv. levying and collecting fees from members, students, examinees and other persons;
- v. removing names from the Register and the restoring to the Register of names which have been removed;
- vi. regulating, maintaining and developing the status and standard of professional qualifications of members of the Institute;
- vii. calling for, examining and conducting elections to the Council and supervising other elections to various bodies of the Institute as the situation would warrant as laid down in the regulations of the Institute;
- viii. issuing guidelines for the observance of the members, including the student members;
- ix. receiving gifts, grants, donations or benefactions from the Central or State Governments and receiving bequests, donations and transfer of movable or immovable properties from testator, donors or transferors, as the case may be;
- x. co-operating with educational or other institutions in any part of the world having objects wholly or partly similar to those of the Institute by exchange of members and generally in such manner as may be conducive to the attainment of their common objects;
- xi. instituting and awarding fellowships, scholarships, prizes and medals;
- xii. giving gifts, grants, donations or benefactions to other institutions or bodies having objects similar to those of the Institute, to sub-serve the interests of the Institute and its members;
- xiii. carrying out, by financial assistance to persons other than members of the Council or in any other manner, of research in survey and loss adjustment;
- xiv. maintaining a library and publishing of books, journals and periodicals relating to survey and loss adjustment;
- xv. exercising disciplinary powers as conferred by this Article of Association;
- xvi. fixing the schedule of minimum professional fees to be charged by the members associated with the nature of work from time to time;
- xvii. establishing, defining, delegating, controlling and supervising the functions of the Zonal Councils and Chapters as may be decided from time to time and fix their headquarters;
- xviii. Exercise powers on issues of policy and technical matters pertaining to the profession of Surveyors and loss Assessors.

APPOINTMENT, REMUNERATION AND ALLOWANCE

53. For the efficient performance of its functions, the Council may:

- i. appoint such officers, staff and committees as it deems necessary.
- ii. require and take from such officers of staff of the Council such security for the due performance of their duties, as the Council may consider necessary;
- iii. fix the salaries, fees, allowances and other terms and conditions of service of the officers, staff and committees.

MINUTES

54. The Council shall cause minutes to be entered in the books provided for the purpose:
- (a) of all appointments of officers;
 - (b) of the names of the members present at each meeting of the Council;
 - (c) of orders made by the Council; and
 - (d) of all resolutions and proceedings of general meetings, meetings of the Council and any committees there of.

POWER TO MAKE REGULATIONS

- 55 (1) The Council shall have the power to frame Regulations for the proper administration of the Institute and make such modifications, alterations, insertions, additions and deletions in the best interest of the Institute.
- (2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters;
- i. the standards and conduct of examinations;
 - ii. the conditions under which examination or training may be treated as equivalent to the examination and training prescribed for members of the Institute.
 - iii. the conditions under which any foreign qualification may be recognized;
 - iv. the fees payable for the membership of the Institute and the annual fees payable by Licentiate, Associates and Fellow Member's of the Institute in respect of their certificates, fees to be paid by the candidates taking the examinations of the Institute;
 - v. the summing and holding of meetings of the Council and its committees, the items and places of such meetings, the conduct of business there at and the number of members necessary to form of quorum;
 - vi. The powers, duties and functions of the office bearers of the Institute.
 - vii. the exercise of disciplinary power conferred by the Article of Association;
 - viii. determination of the terms of Zonal Councils, Chapter Councils and Units;
 - ix. determination from time to time of the terms of office and the powers, duties and functions of the Office Secretary, the other officers and servants of the Council;
 - x. any other matter which is required to be or may be prescribed under these AOA.
 - xi. Any other matter which is to be, or may be specified by the council under its powers to make regulations/guidelines/orders without prejudice to the AOA.
- (3) The council may, by general or special resolution in writing, delegate to the chairperson or any other member or an officer of the council subject to such conditions, if any, as may be specified by Institute in such resolution such of its powers and functions under the memorandum and articles of association as it may deem necessary.
- (4) The council may by special or general resolution passed by it, constitute a committee or committees of eminent persons of ability, integrity and standing who have knowledge or experience in General Insurance, Actuarial Science, Survey and Loss Assessment, Law or any other discipline which would, in the opinion of the council, be useful to the profession of Survey and Loss Assessment and seek expert opinion in any of the matter/ matters connected with or incidental to the profession of Survey and Loss Assessment.

ACCOUNTS

56. The Institute shall cause proper books of account to be kept of all sums of money received and expended by the Institute and of the matter in respect of which the receipt and expenditure had taken place and of the assets and liabilities of the Institute. Books of the Accounts of the Institute shall also include accounts of: zonal offices and chapter offices formed/to be formed under each zonal office.
57. The books of account shall be kept at the registered office of the Institute.
58. The Council shall from time to time determine at what times and places and under what conditions or regulations the accounts and books of the Institute or any of them shall be open to inspection of members.
59. The Council shall from time to time in accordance with Section 210 of the Act, cause to be prepared and laid before the Institute in general meeting such an income and expenditure account, balance sheet and reports as are referred to in that Section.
60. A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Institute in general meeting shall not less than 21 days minimum before the date of the meeting be sent to all persons entitled to receive notices of general meetings of the Institute.

AUDIT

61. Auditors shall be appointed and their duties regulated in accordance with the provisions of the Act. Appointment and duties of the auditors of the council shall "Mutatis Mutandis" apply to zonal and chapter offices.

NOTICES

62. A notice may be served by the Institute upon any member, by registered post or in any other established manner of communication decided by the council, addressed to such member at his last place of address in the Register of Members of the Institute.

SEAL

63. The Administrative Secretary shall provide for the safe custody of the Seal of the Institute. The Seal shall only be affixed to any instrument pursuant to a resolution of the Council and in the presence of any two members of the Council who shall sign every such instrument to which the Seal is affixed.

INDEMNITY

64. After the elected council takes over the management, in case of any unforeseen circumstances or situations and if the promoter members are sued/prosecuted by any individual/authority/ executive/organization etc for any acts including commissions or omissions done by the elected council during any point of time, the promoter member shall be indemnified by the institute individually. Council Member, officer or employee shall be indemnified out of the funds of the Institute against all costs incurred by him as such member of the Council, officer or employee in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted, or in connection with any application under provisions of the Act in which relief is granted to him by the Court

WINDING UP

65. The provisions of Clause X of the Memorandum of Association relating to the winding-up or dissolution of the Institute shall have effect and be observed as if the same had been repeated and set out seriatim in these Articles.
66. If upon the winding-up or dissolution of the Institute, there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Institute, but shall be given or transferred to some other institution or institutions, having objects similar to the objects of the Institute, and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Institute under or by virtue of these Articles hereof, such institution or institutions to be determined by the members of the Institute at or before the time of dissolution, or in default thereof by a Judge of the High Court of India having jurisdiction in regard to charitable funds, and if and so far as effect cannot be given to the aforesaid provisions then to some charitable object.
67. True accounts shall be kept of the sums of money received and expended by the Institute, and the matters in respect of which such receipt and expenditure take place, and of the property, credits and liabilities of the Institute and, subject to any reasonable restrictions as to the time and manner of inspecting the same that may be imposed in accordance with the regulations of the Institute for the time being in force which shall be open to the inspection of the members. Once at least in every year, the accounts of the Institute shall be examined, and the correctness of the balance sheet ascertained by one or more auditor or auditors.
68. **SAVE AS OTHERWISE PROVIDED IN THIS ARTICLES OF ASSOCIATION, NO PERSON SHALL:**
- i. use a name or a common seal which is identical with the name or the common seal of the Institute or so early resembles it as to deceive or as is likely to deceive the public;
 - ii. award any degree, diploma or certificate or bestow any designation which indicates or purports to indicate the position or attainment of any qualification or competence similar to that of a member of the Institute; or
 - iii. seeks to regulate in any manner whatsoever the profession of SLA.
69. **POWERS OF THE IRDA TO DIRECT REGULATIONS TO BE MADE OR TO MAKE OR AMEND REGULATIONS.**
- (1) Where the IRDA considers it expedient so to do, it may, by order in writing direct the Council to make regulations or to amend or revoke any regulations already made within such period as it may specify in this behalf.
 - (2) If the Council fails or neglects to comply within the specified period, the IRDA may make the regulations or amend or revoke the regulations made by the Council, as the case may be.

LAYING OF REGULATIONS

70. Every regulation made under this Article of Association shall be submitted, as soon as may be after it is made to the IRDA, for its approval, and the regulation shall thereafter have effect only in such modified form or be of no effect as the case may be as may be advised by IRDA, so however, that any such modifications or annulment shall be without prejudice to the validity

of anything previously done under that regulation.

JURISDICTION

71. All the proceedings / suits against the Institute shall be initiated in the State where the Registered Office of the Institute is situated.

SETTLEMENT OF DISPUTES/GRIEVANCES

72. In case of any disputes or conflicts or grievance against the admission of any person as a Member of the institute, the Committee so constituted by the Council will hear the party concerned and such other party /authority if necessary for preparing a Report and such report shall be submitted to the Council as early as possible .The decision of the Council in such matters shall be final and binding on the parties concerned.

S.No	Names, Addresses, Descriptions and occupations of names, addresses, descriptions and subscribers and their signature	occupations of witnesses and their signature
1.	<p>Sd/— Mathew Verghese S/o Late. P.J.Verghese Age.61 Years.(DOB.1-09-1943) Member(Non life) Insurance Regulatory and Development Authority 3rd Floor, Parishram Bhavan, Basheerbagh, Hyderabad * Since retired, his name is substituted with Mr. M Rama Prasad Member (Non-Life)</p>	<p>Sd/- VBSS Prasad, S/o.V.N.Rao, D.Hanumantha Raju & Co., Company Secretaries, B-13,F-1, P.S.Nagar, Vijayanagar Colony Hyderabad- 500 057. Occ: Company Secretary.</p>
2.	<p>Sd/— V.Vedakumari, D/o.V.Rama Krishna Reddy, W/o. A.Mohan Krishna Age.48 Years (DOB.26-05-1957) Executive Director, Insurance Regulatory and Development Authority 3rd Floor, Parishram Bhavan, Basheerbagh, Hyderabad. *Since retired, her name is substituted with Ms.Sudha Ramanujam, Deputy Director IRDA</p>	
3.	<p>Sd/— Yegnapriya Bharath, W/o. Bharath GopalaKrishnan, Age.50 Years(DOB.14-11-1963) Joint Director Insurance Regulatory and Development Authority 3rd Floor, Parishram Bhavan, Basheerbagh, Hyderabad.</p>	
4.	<p>Sd/— Suresh Mathur, Sr. Joint Director S/o. Mr.YBL Mathur, 49 Years,(09-01-1964) Joint Director, Insurance Regulatory and Development Authority 3rd Floor, Parishram Bhavan, Basheerbagh, Hyderabad</p>	

S.No	Names, Addresses, Descriptions and occupations of names, addresses, descriptions and subscribers and their signature	occupations of witnesses and their signature
5.	Sd/-- Suresh Nair, P.G.K. Nair, Age 41 Years,(DOB14-08-1971) Senior Asst.Director Insurance Regulatory and Development Authority 3 rd Floor, Parishram Bhavan, Basheerbagh, Hyderabad.	
6.	Sd/-- Randip Singh Jagpal, S/o. B.S.Jagpal, Age.47 Years(DOB.28-06-1965) Joint Director Insurance Regulatory and Development Authority 3 rd Floor, Parishram Bhavan, Basheerbagh, Hyderabad.	VBSS Prasad, S/o.V.N.Rao, D.Hanumantha Raju &Co., Company Secretaries, B-13,F-1, P.S.Nagar, Vijayanagar Colony Hyderabad- 500 057. Occ: Company Secretary.
7.	Sd/-- T.Srinivas Naik, S/o. T.Chandru, Age.42Years(14-01-1971) Joint Director Insurance Regulatory and Development Authority 3 rd Floor, Parishram Bhavan, Basheerbagh, Hyderabad.	

Place:

Hyderabad

Date:13-05-2005.

Note:- Matter indicating * are the matters/figures substituted in the amendments in January'2013.

CODE OF ETHICS

73. The Institute shall have and adopt to it, its own code of ethics and apply the same to its members. This code of ethics shall be in addition to the Code of Conduct specified in IRDA regulation 15M & AoA III(A)(5) in its main objects which mandates the Institute to develop and administer a Code of Conduct and Ethics on its members.

(1). The code of ethics guidelines shall be issued by the Institute from time to time and shall include at least the following basic principles. These basics, by no means, be taken as exhaustive on the omissions and

commissions which constitute professional or other misconduct determined by the institute or its disciplinary committee to distinguish between what is right or wrong. Members are expected to adhere to the code of ethics strictly in letter and spirit. Any breach of the code of ethics will result in disciplinary action.

- (i) Integrity :- being honest, trustworthy and open - being reliable, dependable and respectful - not taking unfair advantage, not accepting or offering gifts where this might imply an improper obligation.
- (ii) Objectivity : not being biased - not conducting assignment in which there is a conflict of interest or influence that overrides professional judgment - not to stress or act on belief or facts that are subjective or individualistic - do not act or appear to act/ conduct the job in a manner that is objectionable to reason and logic.
- (iii) Professional competence and due care :- Gaining professional knowledge from experience, continuing education, training, academic and technical qualification, ability to demonstrate its application with high standards. Sensitivity of professional responsibility with due diligence and sustained efforts and deliberate application of mind which is decisive to outcome, commitment to quality in all circumstances and orderliness management of tasks pertaining to assessment of insured losses.
- (iv) Confidentiality :- Maintaining confidentiality and neutrality of information acquired in course of his functions and disclose it only as per legal requirements. Do not use the information so acquired for personal or third party gains.
- (v) Professional Behaviour :- Place public and client's good above his own gain, interpret concept of public interest as broadly as possible, act and appear to act free of self interest, prefer pride of professional service to personal gain - litmus test, voluntarily and scrupulously follow : the established discipline, conventions of the profession and IISLA membership obligations, uphold excellence, independence and technical standards.
- (vi) Promote public trust and confidence in the insurance market in performing the duties and responsibilities, enhancing professionalism, counter fraud and anti money laundering in handling loss assessment and claims made/lodged.
- (vii) Abide by code of conduct, including the code of ethics issued by Institute, and other regulatory provisions specified by IRDA for regulation of profession of SLAs. Furnish true and fair picture in : declarations, affidavits, documents and testimonials, application for license and renewal and for IISLA membership, returns submitted to the regulator, information furnished to IISLA, proceedings proposed for action by IISLA/IRDA/Government or any judicial body, compliance of M&AoA and such other matters.
- (viii) Provide for procedure in inquiries for disciplinary mechanism and for conduct of IISLA members in matters of professional or other misconduct.
- (ix) In any publicity material used in advertisement, circular or other form of publicity, the member shall refrain from claiming any superiority in any respect over any or all other members unless such claim can be substantiated.
- (x) Recommendatory self regulatory measures which ensure : healthy growth of SLA profession, equitable and just flow of work to IISLA members and enhance prestige of the profession.
- (xi) Every member of this institute shall abide by the code of ethics .In particular and without prejudice to the generality of the foregoing the code of ethics shall include the following:
 - a) To exhibit the identity card and/or the license issued by the Authority while carrying out the job of survey and loss assessment and be physically fit to undertake rigourousness of the job.
 - b) To conduct the survey job in a transparent, fair, impartial and objective manner free of personal interest or prejudices, and ensure that the professional and technical standards of competence are upheld. Members, other than those employed with SLA firm/Company and licensed insurers, shall seek the permission of the Institute prior to joining any other entity or organization as employee (either full time/part time/ contract basis) .

- c) To endeavor continuous professional development by keeping abreast of the changes and advancement of knowledge by attending professional courses, trainings, workshops & seminars meant for the up-gradation of the required skills.
- d) To uphold ethical behavior, professional reputation, credibility and refrain from making unsavory remarks comments or grievances in public or before the press without exhausting internal professional and legal avenues.
- e) To give due regard to the professional reputation of fellow members and not injure directly or indirectly the professional reputation or practice of other members.
- f) To bring to the knowledge of the council of the Institute if a member comes to know of any act of unethical, illegal or unfair practice of a fellow member.
- g) To ensure professional conduct at all times in a manner which will not prejudice professional status or the reputation of the Institution.
- (2). No member shall canvas for the work by unfair means. Since, duties and functions of an SLA do not involve settlement of Claims (being Contractual Responsibility of the Insurer only in the contract of insurance) and that he cannot be judge of his own assessment of the loss (or such assessment made by a fellow SLA) and requires to be third party neutral fiduciary ,no SLA shall therefore indulge in such practices as a part of the activities related to processing and settlement of claim's by an insurer.
- (3). No member shall take the work of survey & loss assessment where he or his family members are interested through shareholding or employment or business dealings.
- (4) (i). No member shall involve himself in outsourcing of claims related work or survey work and undertake a work of survey and loss assessor on contract basis in any manner.
- (ii) Every members shall conduct survey himself and not lend core survey job to any other person except for non-core administrative functions. The Certificate of membership/practice authorises a member to issue a survey report on his own signatures.
- (iii) No member can sign on any survey report for the survey which was conducted by others.
- (5). No member shall attempt or agree to carry any work on reduced or lesser survey fee of the prescribed fee schedule as decided / circulated by Institute.
- (6). No member shall allow use of his/her name and license number to any other person or lend his/her survey reports and other documents for direct or indirect use by the other person or to any other licensed surveyor whether for consideration or reward or for any other purpose.
- (7). No member shall write or express any statement, views or opinions or give publicity to anything, which may in any way diminish the esteem and professional prestige of the Institute.
- (8). Any conduct of the member which is not in line with professionally acceptable norms or contains deliberate acts of disobedience, unlawful behavior, neglect of duty & malfeasance will include among other matters to be misconduct and violative of the code of ethics.
- (9). Without prejudice and not being in derogation of IRDA regulations, no member shall accept more than five interns as trainees in a year.
- (10). Student members, other than those employed with SLA firm /company and licensed insurers, shall seek the permission of the Institute prior to their joining any organization as employees either on full time or part time or on contract basis.
- (11) Every member of the Institute shall ensure that new membership application forms are forwarded to the Institute's Administrative office through the unit/chapter level of the Institute. In cases/areas, which are

not covered by unit/chapters, applications can be forwarded through the Zonal Office and/or Central Council Members.





Ref. No.: IRDA/INTR/SUR/IISLA/2013-14

03.02.2014

IISLA Council
IISLA

Direction under Regulation 14(2)(f) of IRDA Act, 1999 and Regulation 14(A)(2) of Insurance Surveyors and Loss Assessors(Licensing, Professional Requirements and Code of Conduct) (Amendments) Regulations, 2013 in the matter of IISLA

Indian Institute of Insurance Surveyors and Loss Assessors(hereinafter referred to as IISLA) was promoted and established by the Insurance Regulatory and Development Authority (hereinafter referred to as the 'Authority') under section 14(2) (f) of the IRDA Act 1999 under the directions and mandate of Government of India . IISLA was established as a section 25 company, under the Companies Act, 1956 and was registered with ROC, Hyderabad in the year 2005 as a professional body for licensed SLAs with a view to professionalising survey and loss assessment in the country. Establishment of the Institute was followed by the membership process, after which elections to the first council were held. The first elected council took over the affairs of IISLA in December 2007. Currently, the fourth elected council is conducting the affairs of the Institute. Elections for 5th- 6th Council would be declared soon by the appointed Election Officer.

Insurance Surveyors and Loss Assessors (Licensing, Professional Requirements and Code of Conduct) (Amendment) Regulations, 2013 was notified to enable IISLA to function more professionally and help in achieving the objectives for which it has been set up. The amended regulations mandated compulsory membership of the IISLA and empowered the institute to conduct training, seminars, workshops, examinations etc. which requires the Institute to amend its MOA & AOA. At the time of drafting the above stated regulations, Authority in collaboration with IISLA Council amended MOA and AOA of Institute. The present IISLA council has yet to execute the amendments in MOA/AOA of the Institute. Due to non-filing of amended MOA/AOA with ROC, IISLA was advised by the Authority to process membership applications as per notified regulations whereby definitions of Member and three levels of membership have been stipulated and are reproduced below:

"Member"- means the member of the Institute and includes Student member, Licentiate member, Associate member and Fellow member.

"Surveyor and Loss Assessor" – means a person who is a member of the Institute and licensed by the Authority to act as Surveyor and Loss Assessor

"Student Member" means any person who is member of Institute and enrolls himself as trainee with IRDA for seeking practical training to obtain a license to act as Surveyor and Loss Assessor

Associate member: Any Licentiate Member holding valid license continuously for a period not less than 8 years and upon fulfillment of other criteria set out in Regulation 14 (1) (ii)

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Fellow Member: Any Associate Member holding valid license continuously for a period not less than 8 years and fulfils other criteria set out in Regulation 14 (1) (ii.)

Licentiate Member: Any person holding a valid license issued by the Authority to act as surveyor and loss assessor, and fulfils other criteria set out in Regulation 14 (1) (ii)

Membership level of a surveyor means level allotted by the institute to the member, based on the criteria set out in Reg 14 of these Regulations

Reference is also drawn to IRDA Order Ref: IRDA/Legal/MAD/HC/Madurai/C-8 dated 5th August 2010 whereby it was mentioned in Point IV, that mandatory membership would enable the institute to function more professionally and help in achieving the objectives for which it has been set up and that Authority shall examine the feasibility of appropriate amendments in the relevant regulations etc. Accordingly, the Authority notified the above referred regulations mandating membership of the Institute. While finalising the said regulations, IISLA was duly involved in all discussions as a member of the Committee of the Surveyors, constituted under Regulation 11 of IRDA Surveyors Regulations, 2000 as well as Insurance Advisory Committee.

As may be seen from above, the amended regulations mandate compulsory membership of surveyors and defined a "surveyor and loss assessor" as a person who is a member of the Institute and licensed by the Authority to act as surveyor and loss assessor. The Institute is defined under regulation 2(ea) as Indian Institute of Insurance Surveyors and Loss Assessors (IISLA) promoted by IRDA under section 14 of IRDA Act, 1999 and incorporated under section 25 of Companies Act.

Vide IRDA circular no. IRDA/Sur/AREG/Cir/086/05/2013, all existing surveyors are required to become members of IISLA to enable the Authority to issue modified license in compliance with Amended Regulations. Accordingly, licensed surveyor who are working as employees of general insurance companies have approached IISLA for grant of membership of the Institute in order to comply with the amended regulations.

However, it has come to the notice of the Authority that IISLA is not granting membership to the applicant surveyors employed with insurers and is contravening Surveyors Regulations, 2013. In order to address the complaint from GI Council on the same, the Authority advised IISLA vide letter dated September 5, 2013 to ensure that all applicants who are valid license holders should be granted IISLA membership in compliance with Surveyors Regulations, 2013.

Despite all the above communications and discussions held with IISLA, Institute is yet to grant membership to all license holder SLAs. On the contrary, IISLA has issued a Notice dated 28th October, 2013 stating that if any licensed surveyor admitted by them as member of institute takes up employment in any of insurance companies or any intermediaries, would be violating AoA of IISLA and could invite suspension or revocation of membership. Kindly note that this IISLA notice is issued in contravention of Surveyors Regulations 2013.



The above has led to receipt of numerous complaints and copies of IISLA membership applications from inhouse surveyor employees of general insurance companies. Number of such applications pending for membership from employee surveyors of insurers are too many and could definitely impede settlement of claims and affect policyholders' interest adversely. Besides, in absence of the fair, updated and complete list of IISLA members, Authority is unable to proceed towards conducting of IISLA council elections.

In view of the facts mentioned as above, the Authority is of the view that IISLA has not followed Surveyors Regulations, 2013 and has not discharged its functions stipulated in regulation 14A of the said regulations which clearly stipulates that the Institute shall grant appropriate membership to persons eligible within 15 days from the date of receipt of application for membership.

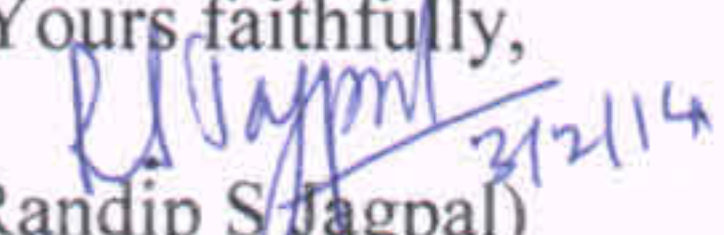
IISLA is hereby directed to comply with the following within 15 working days from the issue of this letter:

1. File the MOA/AOA as approved by the Authority
2. Issue membership to all licensed SLAs in compliance with Insurance Surveyors and Loss Assessors (Licensing, Professional Requirements and Code of Conduct) (Amendment) Regulations, 2013
3. On completion of the grant of membership to applicant SLAs including inhouse employees of insurers, submit list of members for the purpose of initiating conduct of already delayed IISLA council elections.
4. Furnish complete list of all the chapters of the Institute including addresses, contact details and persons in charge alongwith list of personnel working in each Chapter as well as Administrative Office of IISLA.
5. Submit details on training and seminar to be conducted for compliance to 14A of aforesaid regulations including
 - a. Training calendar and duration
 - b. Draft curriculum(department wise) for each level of membership
 - c. Panel of trainers/professional finalized by IISLA
 - d. Format for certificate to be granted after successful completion and participation.

IISLA Council is also directed to refrain from issuing notices in contravention to provisions of insurance legislations, IRDA regulations, circulars or guidelines.

This directive is issued to IISLA by exercising the power vested in the Authority under regulation 14(f) of IRDA Act, 1999 for promoting and regulating professional organisations connected with the insurance and re-insurance business;

This has approval of the Competent Authority.

Yours faithfully,

(Randip S Jagpal)
Sr. Joint Director

Place: Hyderabad
Date: 3rd February, 2014

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