



# INDIAN INSTITUTE OF INSURANCE SURVEYORS AND LOSS ASSESSORS

(Promoted by IRDA, Govt. of India)

Ref: IIISLA / Reg-2020/2020.

Dt. September 30, 2020.

## Updates to members

Dear members,

In continuation with our previous communication dt.18.08 2020 and dt.17.09.2020 to members regarding challenging proposed regulation 2020, the following information is provided.

WP [C] no. 5486 /2020 was filed before Hon. Delhi High court on 19.08.2020 by IIISLA and was disposed off on 20.08.2020 by issuing an order to IRDAI to maintain transparency and share MOM of IRDAI Board Meeting dt.13.08.2020. Also on a query raised by the Court as to whether the petition is premature, Mr. Dipak K. Nag, Id. counsel appearing for the IRDAI submits that as per Section 27 of the Insurance Regulatory and Development Authority Act, 1999 (hereinafter, "IRDA Act"), the rules and regulations have to be laid before the Parliament. Under instructions, he submits that the draft regulations would not be given effect until and unless the same are duly notified and passed by parliament.

A review petition was filed by IRDAI against the HC Order Dt. 20.08.2020 (copy attached herewith) which was listed on 15.09.2020 and an order was passed (copy attached), as per which IRDAI has to submit a tabulated chart within two weeks stating what representations they have considered from SLAs / IIISLA in finalizing the regulation 2020. The extract of the order says "Accordingly, let a complete chart be furnished by Mr. Ananthakrishnan, Chief General Manager, IRDAI through the Id. counsel Mr. Dipak K. Nag, to the Id. counsel for the Petitioner, giving a tabulation of the representations and suggestions made by the Petitioner and the consideration afforded thereto by the IRDAI, within a period of two weeks from today."

Please find the reply dt.28.09.2020 provided by IRDAI in compliance to the Honourable Court order dt.15.09.2020, attached to this communication.

Though the action was termed as premature as regulations are yet to be notified, the challenging of such regulations on the ground that We got ignored at all stages during the process of drafting of regulation 2019/2020 was heard by the honourable court and relief to maximum extent to the surveyor profession is before us.

Issues on which there are positive indications;

- 1.No de linking of IIISLA Membership for licensing.
- 2.No increase in NSL.



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3.No classification of SLAs as Individual and Corporate only; (while the draft proposal included Student Surveyor, Employee Surveyor also).

4. Training to be for 2 months Institutional or 6 months internship with a Surveyor.

Let us be disciplined, professional and compliant with the law of the land to showcase our talents to the Industry. Let us not jump to such activities which lightens our reputation and brand of SLA and IIISLA. Let the criticism be objective and focused on actions with some evidence, rather than going on slanderous campaign. Let it be understood that together we can achieve, and divided we fall.

We thank each and every member for their efforts from their own resources and moral support during this struggle for our existence and we assure to be vigilant and responsive in the times to come.

*Regards*

*Er. Rahul Jadhav*  
*BE ,LLB , LLM,PGDRIM*  
*National secretary, IIISLA.*

## Insurance Regulatory and Development Authority of India

**Sub: W.P.(C) 5486/2020, REVIEW PET. 134/2020 –**

**Compliance of Order dated 15.09.2020 -reg**

A. Points raised in the W.P. (C) 5486/2020 relating to the draft IRDAI (Insurance Surveyors and Loss Assessors) (Amendment) Regulations 2020.

### **I. Prayer sought by IISLA under the W.P:**

Pass an appropriate order, direction or writ including a Writ of Certiorari for quashing of the order/ decision taken by the Respondent no. 2 in the board meeting held on 13.08.2020 in so far it approves the Insurance Regulatory and Development Authority of India ('IRDAI') (Insurance Surveyors and Loss Assessors) (Amendment) Regulations, 2020 to the extent of (i) Delinking of the Petitioner's membership and consequent levels/ categorization of surveyors from licensing/ registration; (ii) Enhancement of survey limits for appointment of surveyors; (iii) Striking down the practical training with a registered surveyor for a period of not less than twelve months and; (iv) Introduction of new class of surveyors namely employee surveyors and student surveyors;

Pointwise submissions to issues raised under Prayer are as under:

#### **1. Delinking of the IISLA's membership and consequent levels/ categorization of surveyors from licensing/ registration;**

There is no delinking of membership in the proposed regulations. **Membership of Institute continues to be one of the eligibility requirements.** Level of membership is removed from regulations to streamline the processing of licenses.

#### **2. Enhancement of survey limits for appointment of surveyors;**

The 'no survey' limits which was introduced by Amendment of the Insurance Act in 1968 was fixed at Rs 20,000/- so as to expedite settlement of small claims more efficiently and speedily in the interests of the Policyholders. The limit of Rs. 20,000/- fixed in 1968 continued till amendment was carried out to the Insurance Act, 1938 in 2015. As per Regulation 12 (3) of IRDAI (Insurance Surveyors and Loss assessors) Regulations, 2015, these limits need to be reviewed every three years. However, the current pandemic of Covid-19 has resulted in severe disruption to the economy. Therefore, no change made to these limits under the draft IRDAI (Insurance Surveyors and Loss Assessors) (Amendment) Regulations 2020.

#### **3. Striking down the practical training with a registered surveyor for a period of not less than twelve months;**

Practical training shall be prescribed by way of guidelines to ensure aspiring surveyors are equipped with proper understanding of the field. Insurance Act 1938 stipulates

practical training not exceeding 12 months and one year period of training was considered a barrier for fresh entry of surveyors. Therefore, two options of practical training are now available viz. i) The applicant can do an Institutional training through approved institutes like National Insurance Academy and Insurance Institute of India or any other approved institution for a period of two months' duration; or ii) he /she can do internship for a period of six months with a senior surveyor having at least eight years' experience. President, IIISLA felt that practical training is possible only when the trainees work with surveyors but the period of internship can be reduced to six months.

#### 4. Introduction of new class of surveyors namely employee surveyors and student surveyors;

There are only two types of surveyors for licensing viz. individual and corporate surveyors. Insurance Act and IRDAI (Insurance Surveyors and Loss Assessors) Regulations do not classify surveyors into any other category.

- B. With regard to giving a tabulation of the representations and suggestions made by the IIISLA and the consideration afforded thereto by the IRDAI, through its various letters and mails, IIISLA has appealed on those areas which are not part of the draft IRDAI (Insurance Surveyors and Loss Assessors) (Amendment) Regulations. Details are as under:

S. No.	Points raised by IIISLA	IRDAI's comments
1.	<b>Stop considering Employees of Insurance Cos., from SLA functions; to eliminate 'conflict of interest' in the loss assessment.</b>	Not relevant to Regulations.
2.	<b>Facilitate providing service of Surveyor and Los assessor to ALL claims, irrespective of quantum of claim.</b>	PI refer to the comments offered under above para S. No. 2
3.	<b>Allow IIISLA to devise and implement its own criterion for admission of Members, considering the 'fit &amp; proper' aspects, besides qualifications prescribed by the Authority in the Regulations made under the Act.</b>	Not relevant to Regulations.
4.	<b>Empower IIISLA with ALL data related to ALL claims, to develop proper analysis and devise ways and means of loss minimisation, and standardisation of Loss Assessment and Adjustment practice</b>	Not relevant to Regulations.
5.	<b>Strengthen IIISLA by providing needed infrastructure to develop</b>	Not relevant to Regulations.

S. No.	Points raised by IIISLA	IRDAI's comments
	<b>research facilities, crash analysis, forensic facilities of analysing losses; to enhance service levels to the Industry</b>	