

9 Encl: (ix): Regulation in conflict with the Act:

Clause 82 of amended act 2015 states as follows;

64UM. (1) Save as otherwise provided in this section, no person shall act as a surveyor or loss assessor in respect of general insurance business after the expiry of a period of one year from the commencement of the Insurance Laws (Amendment) Act, 2015, unless he— (a) possesses such academic qualifications as may be specified by the regulations made under this Act; and (b) is a member of a professional body of surveyors and loss assessors, namely, the Indian Institute of Insurance Surveyors and Loss Assessors: Provided that in the case of a firm or company, all the partners or directors or other persons, who may be called upon to make a survey or assess a loss reported, as the case may be, shall fulfil the requirements of clauses (a) and (b).

Now let us examine what the Regulation made under the Act (amended) 2015; states in respect of IIISLA Membership; Clause 15 (2), (3), and (4);

(2) In case the Institute declines any level of membership to the Surveyor and Loss Assessor including student membership, the person can appeal to the Authority.

(3) The Authority shall consider such an application and communicate its decision thereon to the person and Institute in writing within six weeks of the receipt thereof which shall be binding on both.

(4) In case the Institute does not comply with the decision of the Authority, the Authority may then issue the license to the applicant on merits of the case without the accompanying membership of the Institute, and such decision would be binding on the Institute.

These regulations (as above) are in clear violation of the Act, in the sense the Authority seeks to overlook the statutory requirement of membership of IIISLA; as stipulated in the Act; and this the Regulator intends to overlook or override the provisions of the Act.

We have brought the above aspect to the notice of the Chairman, IRDAI through a communication which is attached to this doc. The attachment speaks of the double impact in violation resorted to by the Authority.

While the SLA licence is issued (despite replacement of such requirement in the amended Act 2015); the Authority is directing the existing members of IIISLA to get fresh licentiate membership, to reissue the lapsed (not renewed in time) licence. This is resulting in an existing Associate or Fellow member of IIISLA have to seek a fresh membership as Licentiate to get his lapsed licence renewed. This is an arbitrary decision of IRDA, in clear violation or overlap of jurisdiction over membership issue of IIISLA.

Surveyor Regulations right from 2000 have not been consistent with Act, marked by deviation in licensing procedure, arbitrary categorisation and are brought into effect with no semblance of order or unity of direction for the profession. Absolute lack of consistency in providing or moulding the purpose of direction for the SLA profession, marred the progress of professionalism in the SLA profession and dwarfed the significance of IIISLA to develop as a professional body representing the SLA profession, the only intermediary in the General Insurance Industry to ensure (and comes into action) proper delivery of promise (indemnity of loss) contained in the instrument 'insurance policy'.