

MINUTES OF THE 46th MEETING OF THE AUTHORITY

held on June 19, 2006 at 11.30 a.m.
in the Office of the IRDA at 3rd Floor, Parishram Bhavan, Basheer Bagh,
Hyderabad.

Present:	Chairman	Shri C. S. Rao
	Member	Shri C. R. Muralidharan
	Member	Shri K K Srinivasan
	Member	Shri T N Manoharan
	Member	Shri Vijay Mahajan
	Invitee	Dr. D V S Sastry
	Invitee	Shri P.A. Balasubramanian

Also present:	Executive Director	Shri K. Subrahmanyam
	Executive Director	Shri P C James
	Executive Director	Smt V. Vedakumari
	Consultant & Special Officer	Shri M M Siddiqui
	Consultant & Special Officer	Shri Kunnel Prem

Chairman extended a warm welcome to all those who were present. Leave of absence was granted to Part-time members Shri Ashok Chawla, Addl. Secretary, Ministry of Finance and Shri Gautam Hari Singhania, CMD, Raymonds Limited.

Item # 1: Confirmation of Minutes of the 45th Meeting of the Authority held on April 28, 2006.

The meeting then took up for consideration the confirmation of Minutes of the 45th Meeting of the Authority held on April 28, 2006.

Since the Minutes were in order it decided to confirm the Minutes.

Resolution No: 46 : 1

Authority resolves to confirm the Minutes of the 45th meeting of the Authority held on April 28, 2006.

Item # 2: Action Taken Report on the Minutes of 45th Meeting of the Authority held on April 28, 2006.

The Authority took note of the Action Taken Report

Item # 5: Any other Item with the permission of Chair.

Synoptic presentation of the Growth of Insurance Sector in 2005-06

Deputy Director (F&A) made a presentation on the growth achieved by life and non-life sectors during 2005-06. The presentation contained the details of the growth in premium and also in the different segments of life and non-life companies both in public and private sectors, based on the first year premium. Life companies had recorded a growth of 41% and the premium underwritten by non-life sector showed a growth of 16.24% during 2005-06. The details submitted were discussed and taken on record and after taking into account various suggestions for improvement in the data format to make it realistic and comprehensive. Shri Mahajan also suggested in this context that:-

- a) The Authority should collect information on actual coverage of households in terms of population and the analysis should be published in the Annual Report of the Authority as Government of India and RBI were stressing the need for financial inclusion in all areas of the country. It was desired that the coverage of households in terms of number of lives and as a percentage of population should be given.
- b) Referring to large group policies issued by private insurance companies to State Governments (similar to the cover extended by ICICI Lombard in Assam). Shri Mahajan indicated that in case they fail to attain the objectives outlined in those schemes, they could affect the credibility of the sector. Chairman pointed out that the insurance companies in the interest of safeguarding their reputation would take adequate precautions

to carry on the mandate. Since these are annual contracts, there is adequate opportunity to modify the contracts in the subsequent years.

(C S Rao)
Chairman