

## Current Issues in Life Assurance

**Two day Seminar on November 29 – 30, 2012 in Hotel Orchid at Vile Parle East, Mumbai.**

**Background:** Many people might consider life insurance a relatively slow-moving business, but even a short period of exposure to the Indian life assurance industry is sufficient to clear any such misconception. Certainly, there is no shortage of issues that have profound effects on companies' prudential regulation and their products, and hence on policyholders. As in the past, at CILA, we seek to address the most salient of these, and to engage the profession and the wider industry in debate.

The Institute is very pleased to welcome **Shri J Hari Narayan**, Chairman of **IRDA**, to address the Seminar on the IRDA's expectations of Appointed Actuaries. In any circumstances, given the responsibilities of the Appointed Actuary, this would be of particular interest, but in the light of recent events, this is arguably the hottest topic on the actuaries' agenda.

Product Regulation remains a hot topic, and this last year has seen protracted consultation between IRDA and the industry on the way forward. We shall consider the proposed regulations, and the problems they are designed to fix.

In December 2011, IRDA set up a Committee on Road map for Risk Based Solvency Approach in Insurance Sector. We shall have one of the members of this Committee to share its thoughts with us.

This last year has also seen the issuance or the development prior to issuance, of various Guidance Notes. We shall focus on two in particular:

1. GN10, which addresses the embedded value disclosures required of a company when it seeks a listing. These metrics are interesting in themselves from a purely technical perspective, but, given their public disclosure, could also have an effect on companies' business plans and operating models.
2. GN6 (draft) which addresses certain aspects of the management, in particular the calculation of asset shares, of a participating fund. Given the focus on asset shares in recent draft regulation, and on the management of participating business in general, this session promises to shed light on a number of pertinent topics.

Reinsurance regulation has also been subjected to regulatory scrutiny. We shall have a critical analysis of the proposed regulations and some speculation as to their likely effects.

Life insurance actuaries around the globe have been tracking mortality rates for centuries. As markets become more competitive, these studies become very important for pricing and valuation actuaries. In the most competitive markets the rate of change of the mortality rates is analysed in great detail and used to make projections. The lessons learned from countries like Russia, Canada and Sweden can be insightful for India. Lesson one: start collecting data early. Lesson two: actuaries have quite consistently under-estimate life expectancies.

Now that companies are required to report on their ALM positions to IRDA, we shall have an international overview of what regulators require of ALM, and how it may be used to assess a company's capital requirements.

The Current Issues in Life Assurance (CILA) Seminar is held annually by the Institute of Actuaries of India. Each issue being discussed this year is important in its own right and would make for interesting debate and insightful discussion. We look forward to meeting you at the 8th CILA on 29th and 30th November in Mumbai.

**Speakers:** The speakers include stalwarts from the life assurance business and experts on the business from leading consulting companies.

**Who should attend:** All financial professional associated with the Life Insurance industry.

Muthuswamy Karunanidhi  
President, IAI

Avijit Chatterjee  
Chair, Life Insurance Advisory Group

## Current Issues in Life Assurance

**Two day Seminar on November 29-30, 2012 in Hotel Orchid, Ville Parle East, Mumbai**

### PROGRAMME

<b>Thursday, 29th November, 2012</b>			
S No.	Time	Sessions	Speaker
	0900 - 0930	Registration	
S1	0930 - 0935	Introduction	Avijit Chatterjee
S2	0935 - 0945	Welcome Address	M. Karunanidhi
S3	0945 - 1045	Current Environment in Life Insurance	SB Mathur
	1045 - 1100	Tea Break	
S4	1100 - 1200	Regulator's expectations of Appointed Actuaries.	J. Hari Narayan
S5	1200 - 1300	Life Insurance Product Regulation : Perspective & Reality	Dilip Chakraborty
	1300 - 1400	Lunch	
S6	1400 - 1500	Risk Based Capital	Rajesh Dalmia
S7	1500 - 1600	Introduction to GN6 – Management of Participating Business	Sanket Kawatkar
	1600 - 1615	Tea Break	
S8	1615 - 1715	APS 10	Mark Saunders
	1715	Close	
<b>Friday, 30th November 2012</b>			
S No.	Time	Sessions	Speaker
S9	0945 - 1030	Review of the draft – Reinsurance regulations & its impact on the life industry	Shubha Neelakantan
S10	1030 - 1130	Mortality Trends – Global Insights	Paul Sauvé
	1130 - 1145	Tea Break	
S11	1145 - 1245	The role of ALM in Prudential Supervision – A Global Survey	Peter Duran
S12	1245 - 1300	Closing Remarks	Nelius Bezuidenhout
	1300	Close	

- Registration Fees : 7500/-
- Dress Code: Business Casual
- CPD Credit for IAI Members: **6 hrs** (As per APS 9)
- Point of Contact for any query: Quintus Mendonca (quintus@actuariesindia.org)

## SPEAKERS PROFILE



**Mark Saunders**

**Managing Director – Hong Kong, Towers Watson**

He is also Managing Director for the Insurance Sector in Asia Pacific and Practice Leader of the Risk Consulting & Software Business for Asia Pacific. He has been working in the insurance industry since the 1980's and is in Asia since 1989. He moved to Hong Kong in 1994. Before joining Towers Watson in 1997, he was Asian Regional CEO and Executive Director Board Member of international life insurance operations ("CMI") of a UK-parented insurer ("Clerical Medical") including their joint venture in Korea ("Coryo-CM"). He has led more than 200 actuarial appraisal value assessments of Asian insurers spanning every major insurance market in Asia and is widely regarded as a leading practitioner in economic value determination, Mergers & Acquisitions and IPOs of insurers in Asia.



**Sanket Kawatkar**

**Practice Leader (Life Insurance), Milliman India**

He is the head of Milliman life insurance consulting practice in India and is based in Mumbai. He has been a consultant for over ten years and is well known in the industry. Prior to Milliman, Sanket worked with Watson Wyatt (now Towers Watson) for more than eight years and was responsible for the growth of its life insurance consulting practice in India. Sanket has also worked with the AIG group in Singapore and in India for over six years. His experience in AIG covered the roles of the actuary for the company's life insurance venture in India in its initial years, as well as that of a member of the actuarial team in Singapore, involved in product development and pricing, statutory valuations and experience analysis. Sanket has consulted with almost all the life insurance companies in India in various areas. Sanket had worked on the Life Insurance Advisory Board of the actuarial profession in India and has also been a speaker at various forums over the past several years. He is a Fellow of the Institute of Actuaries (UK) and a Fellow of the Institute of Actuaries of India.



**Dilip Chakraborty**

**Senior Advisor - Towers Watson India.**

Dilip Chakraborty currently works as Senior Advisor, Towers Watson India. He advises TWI on actuarial and business issues and provides senior Actuarial and Technical Review and sign-off. He mentors all actuaries and actuarial students working in Life Insurance and Benefit LOB of TWI. He has extensive experience, spread over four decades, in the Life Insurance and Pension industry in India and the UK. He retired in 2011 as the Finance Director of Life and Pension Business of Canada Life UK. Earlier he worked as the Chief (P and GS) LICU and the Chief Manager and Surrogate Appointed Actuary of LICU UK.



**Subha Neelakantan**

**Country Manager – Gen Re Mumbai**

Subha Neelakantan is the Country Manager of Gen Re Mumbai Liaison Office for the Life/Health business in India. She is a qualified actuary from the Institute of Actuaries of India. She has over 13 years experience. She has been with Gen Re for more than 4.5 years. At Gen Re Mumbai she is responsible for client relationships and various business activities. Prior to joining Gen Re, she worked with TATA AIG Life Insurance for over 7.5 years in various roles starting from product pricing, valuations to embedded value reporting. She is also a member of the Micro insurance advisory group.



**Peter Duran**

**Director – Deloitte Actuarial and Insurance Solutions**

Peter is a Director in the life Insurance practice of Deloitte Actuarial based in Hong Kong. He joined the firm in 2007 after retiring as a partner from another Big Four firm, where he worked for 19 years, the first 11 of which were in New York before transferring to Tokyo to lead the actuarial practice there. Previously he had been Vice President and Actuary with MassMutual, where he worked for 13 years. Peter has led a wide variety projects over the course of his career. He recently led a project to assist a major Chinese insurer develop risk appetite, risk tolerances and risk limits. He has assisted several European multinationals in the implementation of Solvency II. He performed review of the economic capital system of a large Hong Kong insurer as well as a large Chinese insurer. Peter is a member of Deloitte's Insurance Expert Advisory panel, is monitoring and responding to developments at the IASB with regard to its insurance project. He assisted a large European insurer with an analysis of the potential impact of the IASB's recently published Exposure Draft Insurance Contracts, including an analysis of the impact on reported product profitability in four of its major business units. Risk tolerances consistent with its business strategy.



**Rajesh Dalmia**

**Actuary of Reliance Life Insurance Co. Ltd**

Rajesh Dalmia is an Appointed Actuary of Reliance Life Insurance Co. Ltd. Prior to this he have been doing consulting to life insurers in India and have dealt with various risk areas during his consulting experience. He led projects in the areas of economic capital, market consistent embedded value, process risk assessments etc. Rajesh is a fellow of IIM Bangalore and fellow of Institute of Actuaries of India. He has more than decade of experience and has worked for companies like BSLI, Watson Wyatt and Ernst & Young.



**Paul Sauve**

**Senior Vice President – Global Financial Solutions**

Paul Sauvé is Senior Vice President, Business Development, Global Financial Solutions (GFS) for RGA International Reinsurance Company Limited. He is responsible for GFS's business development efforts in the financial reinsurance, longevity reinsurance and interest-sensitive reinsurance markets of Continental Europe, South Africa and India. GFS helps create customized reinsurance solutions and supports life insurer capital needs. Currently based in Cologne, Germany, Paul, who joined RGA in 2006, has worked in the insurance industry for more than 20 years. He began his career at Mutual Life of Canada, now part of Sun Life of Canada, where he was responsible for pricing, valuation and asset-liability management. He also worked for Manulife in its Singapore, Hong Kong and Germany offices, rising to Managing Director of Manulife's Cologne, Germany office. Paul's Bachelor of Mathematics degree with Honours in Actuarial Science and Statistics is from the University of Waterloo, Canada. He is a Fellow of the Society of Actuaries (SOA), a Fellow of the Canadian Institute of Actuaries (CIA) and a member of the Deutsche Aktuarvereinigung (DAV).



**Mr. S. B. Mathur**

**Former Chairman - LIC**

Mr. Mathur was Chairman of the Life Insurance Corporation of India (LIC), the largest life insurance company in India from August 2002 to October 2004. His tenure coincided the opening of the Insurance sector, which resulted into the entry of 12 domestic players with strong brands tying up with leading international insurance companies. Despite intense competition from the new entrants, LIC continued to be the dominant player in the life insurance sector. This period was also marked by sharp decline in the interest rates, which necessitated withdrawal of some of the popular high yield products and introduction of new schemes. The equity portfolio was leveraged through secondary market operations and swapping of debt to realize profits and better asset liability matching. Post retirement from LIC, The Government of India appointed Mr. Sunil Behari Mathur as

Administrator of the Specified Undertaking of the Unit Trust of India (SUUTI), the successor of the erstwhile Unit Trust of India in December 2004, wherein Government had provided financial support to meet the liabilities under some of the guaranteed high returns schemes. During the last couple of years, taking advantage of the bullish economy and the buoyant capital markets, SUUTI divested its large holdings in equity without leading to volatility in the markets. The fund was managing over Rs. 42000 crore (around US \$ 11 bn) of assets under management as on 19<sup>th</sup> December 2007 (having doubled in last three years). Mr. Mathur at present is Non Executive Chairman of National Stock Exchange and an Advisor to National Investment Fund set up by Government of India. He is also on Board of some leading Corporates and has recently been appointed part time member IRDA by Government of India.