



Institute  
and Faculty  
of Actuaries

**Adjudication Panel Meeting**

**Tuesday 14 May 2019**

**Institute and Faculty of Actuaries, Clark Room, 7th Floor Holborn Gate, 326-330 High  
Holborn, London, WC1V 7PP**

**Respondent:** Dr Ramalinga Kannan

**Category:** Retired

**ARN:** 18263

**Panel Members:** Graham Farren, FIA (Chair/Actuary member)  
Stephanie Bown (Lay member)  
Paul Reid (Lay member)

**Legal Adviser:** James Stythe

**Judicial Committees Secretary:** Julia Wanless

**Allegation:**

The allegation against Dr Ramalinga Kannan (the Respondent) is that:

1. his Primary Professional Regulator, the Institute of Actuaries in India, determined on 29 June 2013 that he was guilty of “Other Misconduct” under section 31 of the Indian Actuaries Act 2006 and Part III (1) and (3) and Part IV(A)(2) of the Schedule, in that he submitted forged tickets and inappropriately claimed reimbursement in respect of 12 journeys between March 2008 and June 2009;
2. by reason of the determination referred to above, he is guilty of misconduct in terms of Rule 1.6 of the Disciplinary Scheme of the Institute and Faculty of Actuaries (effective 1 August 2010, amended 18 October 2012).

**Panel’s determination:**

The Panel considered the Case Report and appendices submitted by the Case Manager and Investigation Actuary and the Respondent’s response to the Case Report. The Panel also considered the advice of the Legal Adviser. The Panel determined that the Case Report disclosed a *prima facie* case of Misconduct because

- a) The Institute of Actuaries of India was the Primary Professional Regulator of the Respondent and on 15 June 2013 found the Respondent guilty of “Other Misconduct” under Section 31 of the Actuaries Act 2006 and Part III (1) and (3) and Part IV (A) (2) of the Schedule.
- b) The Respondent had appealed against this finding but the finding of “Other Misconduct” was affirmed by the Appellate Authority on 7 July 2018 though the Appellate Authority did reduce the penalty imposed by the Disciplinary Committee of the Institute of Actuaries of India.
- c) In accordance with Rule 1.11 of the IFoA Disciplinary Scheme an adverse disciplinary determination by the nominated Primary Professional Regulator of a member is conclusive evidence of Misconduct by him/her.

The Panel accordingly invited the Respondent to accept that there had been Misconduct, and that a sanction of Reprimand was appropriate in this case. A finding of Misconduct resulting from dishonesty on the part of the Respondent would ordinarily result in sanctions against the Respondent and in some cases referral to a Disciplinary Tribunal. The Panel did consider all the sanctions available, the penalties already imposed by the Institute of

Actuaries of India, the age of the Respondent and the undertaking by the Respondent that he is not currently working and does not intend to work in the future, he does not intend to re-join the IFoA, his confirmation that he will not use his AIA designation and that he will not hold himself out to be a member of the IFoA.

### **Background:**

The Respondent was a member of the IAI until 15 June 2013 and a full member of the IFoA until 30 September 2008 and a partial member from 1 October 2008 until 30 September 2012. The Institute of Actuaries of India was the Primary Professional Regulator of the Respondent. Between March 2008 and June 2009, the Respondent submitted to the Institute of Actuaries of India (IAI) forged tickets and inappropriately claimed reimbursement in respect of 12 journeys whilst attending various meetings of the IAI. After becoming aware of the inappropriate claims in 2009, the Council of the IAI held on 15 June 2013 that the Respondent was guilty of "Other Misconduct" under Section 31 of the Actuaries Act 2006 and Part III (1) and (3) and Part IV (A) (2) of the Schedule. The Respondent appealed against this finding of the Council of the IAI but the finding of "Other Misconduct" was affirmed by the Appellate Authority on 7 July 2018 though the Appellate Authority did reduce the penalty imposed by the Disciplinary Committee of the Institute of Actuaries of India. The revised penalty was to substitute removal of the Respondent's name from the original date of the decision by the Council of the IAI until 12 July 2013, instead of permanent removal, and reduction of the fine from Rs. 5 Lakh, to Rs. 2 Lakh.

### **Decision and Reasons on the Allegation:**

In accordance with Rule 1.11 of the IFoA Disciplinary Scheme an adverse disciplinary determination by the nominated Primary Professional Regulator of a member is conclusive evidence of Misconduct by him/her. The IAI was the Primary Professional Regulator of the Respondent at the relevant time when the forged and inappropriate claims were submitted and its Council held that the Respondent was guilty of "Other Misconduct". This finding was upheld by the Appellate Authority on 7 July 2018.

### **Decision and Reasons on Misconduct:**

The Panel then considered whether there was a *prima facie* case that the Respondent's actions amounted to Misconduct.

For the purposes of the Disciplinary Scheme effective from 1 August 2010, Misconduct is defined as any conduct by a Member, whether committed in the United Kingdom or elsewhere, in the course of carrying out professional duties or otherwise, constituting failure by that Member to comply with the standards of behaviour, integrity, competence or professional judgement which other Members or the public might reasonably expect of a Member having regard to the Bye-laws of the Institute and Faculty of Actuaries and/or to any code, standards, advice, guidance, memorandum or statement on professional conduct, practice or duties which may be given and published by the Institute and Faculty of Actuaries and/or, for so long as there is a relevant Memorandum of Understanding in force, by the FRC (including by the former Board for Actuarial Standards) in terms thereof, and to all other relevant circumstances.

The Panel determined that there was a *prima facie* case that the Respondent's actions were sufficiently serious as to constitute Misconduct under the Disciplinary Scheme effective from 1 August 2010.

#### **Decision and Reasons on Sanction:**

In reaching its decision, the Panel had regard to the Indicative Sanctions Guidance (August 2016). The exercise of its powers in the imposition of any sanction is a matter solely for the Panel to determine and it is not bound by the Indicative Sanctions Guidance.

The Panel did consider whether to refer this case to a Disciplinary Panel Tribunal which would have all sanctions available including expulsion from the profession. However the Panel exercising its discretion under Rule 11.4 of the Disciplinary Scheme, which addresses written undertakings by a Respondent, was satisfied that the seriousness of this case could be addressed under the jurisdiction of the Adjudication Panel.

The Panel was aware that the purpose of sanction is not to be punitive although it may have that effect. Rather, the purpose of sanction is to protect the public, maintain the reputation of the profession and declare and uphold proper standards of conduct and competence. The Panel is mindful that it should impose a sanction, or combination of sanctions necessary to achieve those objectives and in so doing it must balance the public interest with the Respondent's own interests.

The Panel considered that this case warranted a sanction of a Reprimand because Misconduct involving dishonesty is serious yet neither a period of education retraining and/or supervised practice nor a fine would be appropriate given the circumstances of the Respondent. The Panel took into account:

- The penalties already imposed by his Primary Professional Regulator, the IAI, (which included a fine that had been reduced on appeal) and the undertaking by the Respondent that he is not working and does not intend to work in the future.
- The Respondent has provided a signed undertaking, dated 17 February 2019, that he does not intend to rejoin the IFoA, and he will not use his AIA designation and that he will not hold himself out to be a member of the IFoA
- The Respondent had been excluded from membership of the IAI for almost 4 years and had paid a fine of RS. 2 Lakh

Because of the above, the Panel concluded that the Respondent posed no risk to the public.

Taking all of the above into account the Panel was satisfied that a Reprimand was necessary, sufficient and proportionate to mark the conduct of the Respondent and appropriately met the public interest in the circumstances of this case.

**Publication:**

Having taken account of the Disciplinary Board's Publication Guidance Policy (April 2018), the Panel determined that, if the Respondent accepted the findings of the Panel, this determination will be published and remain on the IFoA's website for a period of five years from the date of publication. A brief summary will also be published in the next available edition of *The Actuary Magazine*. In the Panel's view there were no exceptional circumstances in this case to deviate from the standard Publication Guidance.

That concludes this determination.