

A Report

Directors' Dialogue Series

DDS 3rd Edition | Focus: **Financial Services & Insurance Sector**

March 10, 2021 | (Virtual)

Theme: Preparing the **Financial Services Sector** for future: *Board's Opportunities and Challenges*

The Institute of Directors (IOD) organised the Third Virtual Edition of the “**Directors' Dialogue Series**” on March 10, 2021 with a special focus on the '**Financial Services & Insurance Sectors**'. The theme for this edition was '**Preparing the Financial Services Sector for Future: Board's Opportunities and Challenges**'. The Webinar was addressed by **Dr. Anup Wadhawan, IAS**, Secretary, Department of Commerce, Ministry of Commerce & Industry, Government of India.

It was also addressed by well-known Board leaders of some of the leading organisations from the Financial Services & Insurance Sectors in the country. The event saw the participation by over 500 participants, business leaders, corporate board members, directors, CEOs, industry experts, policy-makers and domain specialists from across the country. Seventeen countries were represented, including United States of America, United Kingdom,

Canada, Japan, Singapore, Netherlands, United Arab Emirates, Qatar, Bahrain, Oman, South Africa, Maldives, Malaysia and many parts of Europe including France, Romania and Germany.

On behalf of the Institute of Directors, **Opening Remarks** were read out by its Director General, **Mr. Ashok Kapur, IAS (Retd.)**. He stated that the Theme of the event is both topical and a great opportunity for the future boards to take advantage of the momentous changes



announced in India's latest Budget (2021-22). He highlighted some of the important initiatives by the Government of India announced in the recent Budget, such as the 'Development Finance Institution', 'National Monetization Pipeline' for infrastructure assets, proposed 'Regulated Gold Exchange', further consolidation of the financial capacity of India's PSU Banks, decriminalization of the Indian 'Companies Act, 2013', etc. He pointed out "For the insurance sector, the changes in the Insurance Act of 1938 increasing the maximum permitted foreign holding from 49 to 74% will surely be welcomed, discussed and deliberated in detail today." Commenting on the recent Union Budget, he said, "The most welcome opportunity for the future boards would be to look forward to the amalgamation of the various statutes in the financial sector - SEBI Act, 1992, Depositories Act of 1996, the Securities Contract

(Regulation) Act of 1956 and the Govt. Securities Act of 2007 along with a single Securities Markets Code. The Boards and financial sector have every reason to cheer the rationalization of multiple Acts covering the financial services sector in India. This initiative, we are confident will be received well in all Common Law countries for which Indian Companies Act of 2013 can serve as a model."

Lt. Gen. J. S. Ahluwalia, PVSM (Retd.), President, Institute of Directors, India in his '**Welcome Address**' explained how the finance sector is poised to become an important agent of change. He commented, "Financial institutions will need to move away from the 'one-size-fits-all' to cutting edge specialisation, in certain domains. Digital payments and wallets have been two such low hanging fruits. Technological revolution is decentralising the money business." On the insurance sector, he said, "For corporates, insurance is basically risk

transfer. Technology and analytics give deeper insights, as to how the same risk can be reduced in future. Without insurance there would be less appetite for risks." He welcomed the Guests of Honour on the occasion, as also the Keynote & Distinguished Speakers. He was confident that the deliberations during the event will help chart Directors' strategies & directions in the sector, and a roadmap for the challenges that lie ahead.

The '**Guest of Honour Keynote Address**' was delivered by:

Dr. Anup Wadhawan, IAS
Secretary, Department of Commerce
Ministry of Commerce & Industry,
Government of India

Dr. Wadhawan spoke on '*Leveraging Policy Disruption for Dynamic Economic Growth*'. He shared that the world economy has faced major challenges in the past, quoting 2008 crisis. In 2019-20, we saw recession creeping in, and in



Dr. Anup Wadhawan, IAS
Secretary
Department of Commerce
Ministry of Commerce and Industry
Govt. of India



Mr. Debasish Panda, IAS
Secretary
Department of Financial Services
Ministry of Finance
Govt. of India



Mr. Tuhin Kanta Pandey, IAS
Secretary
Department of Investment and
Public Asset Management (DIPAM)
Ministry of Finance
Govt. of India

2020, we witnessed Covid-19. This was an unprecedented economic toll on the global economy and human life.

We met the basic needs of the healthcare, with a population of over 1 billion, with an admirable and quick response from the Indian pharmaceutical industry. Our agricultural sector also played its role both primarily and significantly. India was one of the major exporters for supply of food products during the Covid period. He shared that the affective demand & supply, exports and GDP had improved since September, 2020. Except two sectors, i.e. Gems & Jewellery and petroleum products, our export performance is better with rapid recovery. We need to recover in these areas and sustain the gains in areas like pharmaceuticals, food products, steel exports, etc.

The silver lining is that a Covid disruption is an opportunity to change certain things for forever which were not present in the pre-Covid world. There are new and re-aligned global chains and we are closer to dealing directly with global players. There is a movement from 'Physical to Virtual', and to cater to it, India has a great lead in the IT Sector and Digital Space.

He shared his vision to make **'India as the Best Investment Destination'** in the business space. We have to offer ourselves as the world's best alternative for goods & services, and strengthen the entire production and supply chain. To effectuate this vision, the latest Budget has announced 'Production Linked Incentive Schemes' in 13 different sectors. Our ranking has also risen in the index of 'Ease of Doing Business'. We have built a virtual environment for approvals; most of our approval processes are now digitized. He shared that 'Invest India' is a 'single stop' destination which provides complete hand-holding to the global investors.

The opportunities in the services sector are huge. India today is focused on



Lt. Gen. J. S. Ahluwalia, PVSM (Retd.)
President
Institute of Directors, India

areas like Internet of Things and Artificial Intelligence. Given our prowess in R&D and engineering skill sets, it is another investment area which is very attractive, cost effective and has seen huge investments.

On liberalization in various sectors, he said that our Banking policies are very liberal; Insurance sector is completely digitized and equally liberal; and Pension Sector will further liberalize.

The next **'Guest of Honour Keynote Address'** was delivered by:

Mr. Debasish Panda, IAS

Secretary, Department of Financial Services, Ministry of Finance, Government of India

Mr. Panda spoke on *'Preparing the Financial Services Sector for Self Reliant India & Inclusive Growth:- Role of Board of Directors'*. He shared the 3 key initiatives taken by the Government of India:

- Bank the Un-banked
- Secure the Unsecured (Insurance)
- Fund the Unfunded

It is like a trinity, the **JAM** 'Jan Dhan - Aadhaar - Mobile'. Today, we have around 130 crore bank accounts, with same mobile users and Aadhaar holders. More than 41 crore women have joined *Pradhan Mantri Jan-Dhan Yojana* and are part of formal banking.

On Development of Infrastructure Institutions, he shared that it will provide innovative financing and also play a key developmental role, i.e. helping in the planning and execution of infrastructure projects.

On Insurance, he shared that as per the Insurance Regulatory and Development Authority of India (IRDAI) Annual Report 2018-19, the insurance penetration has increased to 3.7% of Gross Domestic Product. With FDI increase in Insurance sector from 49% to 74%, there will be better technology and employment. On National Pension Scheme, he said there is a growth potential, as it will help people to depend on the state.

The next **'Guest of Honour Keynote Address'** was delivered by:

Mr. Tuhin Kanta Pandey, IAS

Secretary, Department of Investment & Public Asset Management, Ministry of Finance, Government of India

Mr. Pandey spoke on *'Driving India's Strategic Disinvestment Policy for a promising future: Preparing the Boards of Directors'*. He shared valuable insights on various issues including:

- Key trends in the Indian Insurance Industry
- Key Budget Highlights – FY 2020-2021
- Sectors where Insurance is inter connected for Investment

On key trends in the Indian Insurance Industry, he said that Insurance industry is all set to grow 12-15% over the next

three to five years, as per India Brand Equity Foundation. There is a ubiquitous need for insurance products. IRDAI, the insurance regulator has promoted many government insurance products like Arogya Sanjeevani Health Insurance, Saral Jeevan Bima Yojana, Corona Rakshak Plan (at premium of as low as Rs 100 per month), etc. New insurance products like 'On-and-Off Insurance' have also surfaced in the market, to cater the various needs of the people. We are seeing more tailored offerings in health insurance. Digitization of distribution and cross-selling of insurance products has also promoted the industry. The standardization of insurance products by IRDAI is a welcome step, to fill the gap of untapped market.

The market share of private sector companies in the non-life insurance market rose from 15% in FY04 to 56% in FY21. In the life insurance segment, private players had a market share of around 31.3% in new business in FY20. The crop insurance market contributed nearly 20% of the gross domestic premiums of non-life insurance company in FY20. We still have untapped insurance market, and this is an opportunity for various insurance companies to innovate, coupled with the IT and digitization platforms.

On key Budget Highlights, FY 2021-22, he shared that the increase in Insurance FDI cap from 49% to 74% is a welcome move. The government has also introduced 4 flagship health insurance schemes. There is strong potential in crop insurance sector market as awareness about crop insurance in India is around 40%, and still, crop insurance market in India is the largest in the world. An Insurance eco-system having private players is welcome. He also spoke on the new 'Public Sector Enterprises Policy' and 'Privatization Policy', stating that barring the four sectors, i.e. the 'strategic sectors', all other sectors will be privatized, with bare minimum presence of the

government, including Insurance sector. He also briefly touched upon the upcoming Life Insurance Corporation of India IPO.

He highlighted the capital investment issues in the Insurance sector and shared that CapEx cycle triggers the Capital Investments, but how can we stimulate the CapEx cycle? We also have to identify areas where public and government can invest and help in the growth of insurance sector.

On Sectors where Insurance is interconnected for investment, he shared that the Stock market has to make changes in its strategies, i.e. (i) Not to offer repeated stocks, (ii) No Re-Rating of Stocks and (iii) Consistent Dividend Policy.

He concluded his address by sharing that the public sector enterprises are bringing in several changes in the 'Memorandum of Understanding' which administrative ministries will sign with every public sector enterprise. Moving ahead a lot of importance will be given to criteria like asset monetisation plan, return on equity and return on capital.

This was followed by the **Keynote Addresses** of:

- **Mr. Vipin Anand**
Managing Director
Life Insurance Corporation of India
- **Mr. Yashish Dahiya**
Co-founder & Group CEO
PolicyBazaar.com Group of
Companies

Mr. Anand spoke on '*Preparing LIC for a new era: A game changer for productivity and India's robust economy*'. He said that the boards have to prepare for the future with the merger of several banks and disinvestment. Listing of companies on stock exchange provides discipline and value to the company, he said in reference to the upcoming LIC IPO.

LIC is arguably the largest life insurance company in the world, in terms of number of customers. It has more than

280 million individual policies, and in addition to that almost 112 million people are covered. The LIC contribution to the Indian economy as on March 31, 2020 is INR 24 trillion, out of the total asset size of INR 32 trillion. LIC has a presence in 14 countries across the globe and over the last 64 years, it has moved up and onward.

Recently, LIC has been awarded with the famed Golden Peacock Award for the year 2020 in the category of 'Excellence in Corporate Governance (GPAECG)'. Robust Corporate Governance (CG) mechanism promotes value based management. The CG and transparency in the operations of LIC will aid in turning most of the LIC 'Policyholders' into 'Shareholders', because of the public trust in LIC.

He shared the fact that percentage of saving is expected to rise and also, that there is an expected increase in 'Life expectancy' from 67 years in 2015 to 71 years in 2035. As a result, demand of pension products will also increase.

Mr. Dahiya spoke on '*The Age of InsureTech: Disrupting an Industry for Transformational Change*'. In his informed address, he shared that losing an earning member is a catastrophic loss; but this is where financial aid in the form of 'Pension' helps. India has 70 million families, but only 10% have genuine coverage for health and life and are entitled to a pension.

Forecasting the future for the next 10 years, he said this population of 70 million families will go beyond 150-200 million families. We have a segment of aspirational people who need to be convinced with the required products in the insurance sector. At present, people plan for 'Pension' but what about the plan of 'health cost'? The daunting question remains, 'How do we move from sick care to health care?'

It is the joint responsibility of Insurance players and Government to educate the people about the importance and need



Mr. Yashish Dahiya
Co-founder & Group CEO
PolicyBazaar.com



Mr. Vipin Anand
Managing Director
Life Insurance Corporation of India



Mr. Shailesh V. Haribhakti FCA
Chairman - Western Region IOD, India
Board Chairman, Audit Committee Chair and
Independent Director on multiple, Boards in India

for health insurance and life insurance. The fastest growing parts of the insurance industry have been health insurance and term insurance, nearly 20 times to 30 times, in comparison with 10 years ago.

Policy Bazaar is a very small organization and has played some part in creating the awareness around the insurance sector. Insurance sector is like a child, who is crying out for help from everywhere. It needs help and support from everyone, i.e. the private players and the government.

All the speeches were followed by an energetic and interactive **Q&A session**, moderated by **Mr. Shailesh V. Haribhakti FCA**, Chairman - Mumbai Region, IOD, India; Board Chairman, Audit Committee Chair and Independent Director on multiple, Boards in India & Chairman, Shailesh Haribhakti & Associates, India. The participants showed their keen interest in the

deliberations.

Mr. Haribhakti asked several incisive questions pertaining to “*Role of Funds Transfer Pricing (FTP) in the global trade*”, “*Cut-offs for expressions of interest for large projects, and ensuring global trust in process timelines*”, “*How to make investments rewarding for both Global and Domestic investors, as they look forward for two elements namely, high quality Corporate Governance and Sustainability*”, “*Whether the social security code will be a harbinger of 'ease of doing business' in India in a privatizing mode*”, “*Making 'Life Insurance' mandatory by law*”, “*What is LIC doing to create a more enabling and attractive environment for annuities*”, “*How much will the budget thinking and policy framework, be influenced by ESG in future*”, “*Payments and Currency issue (including digital fiat currency)*”, etc.

This was followed by a **Keynote Session**,

with the following **Distinguished Speakers**:

Mr. Ravi Krishnamurthy

President
SBI Life Insurance Company Limited

Mr. Sharad Mathur

Managing Director and Chief Executive Officer
Universal Sompo General Insurance Company Limited

Dr. S. Prakash

Managing Director
Star Health and Allied Insurance Company Limited

Mr. M. K. Poddar

Chairman-cum-Managing Director
Agriculture Insurance Company of India Limited

Mr. Krishnamurthy spoke on '*Reimagining Life Insurance Industry in the Post-pandemic Era*'. He shared the key aspects which are now emerging and

almost coinciding with the end of the Covid era:

- (i) Accelerated Awareness about Digital Transformation
- (ii) Customer Needs

SBI along with distinguished private players in the life insurance industry and online players like Policy -Bazaar.com have made tremendous amount of efforts, both on 'as well as' the digital era to reach out to customers, to popularise and educate about the need for financial soundness, to go beyond the bank balance and to cover themselves for their future.

He shared his experience that earlier, life insurance was sold to customers. Nowadays, the customer is coming forward to buy insurance. The trust element is very important amongst the policy holder, shareholder and the distributor, and therefore, the insurance sector has to build a strong corporate

governance structure. We need a framework for shifting from 'Profit Sharing' to 'Corporate Governance'.

There is a tremendous employment opportunity in the insurance sector, for the Distributors. Maintaining quality in the insurance sector is of utmost importance (from policy issuance to its completion, like issuance process, returns, claims, etc.).

He concluded his address by raising the prevalent issues in the insurance industry:

- How can we offer pre-assured products to the customers, by improving our understanding of the customers' demographics and various data sets relating to the underwriting, within a short span of time?
- How are we going to govern defect free processes, zero defect processes, bring innovation in our

offerings, and use the latest technology?

Mr. Mathur spoke on '*Riding the wave of Digitisation with the 'digital-first' approach*'. He shared that the digital lifestyle of customers is making digitization a necessity in each sector. It is not only commercial organization but the government as well, who are promoting digital framework. Recently, almost 44,000 villages were provided easy access to mobile connectivity, by the government.

On digitization in the Insurance sector, he shared that insurers are working hard to accept the existence and importance of digitization. There is a critical need for a massive cultural shift for digitization. Development of Artificial Intelligence in insurance space will help in customer servicing policy issuance, claim settlement, reporting of claims, intimating customers about various stages of claim settlement, etc. This will



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Mr. Pradeep Chaturvedi
Vice President
Institute of Directors, India

to go in for insurance.

Mr. Poddar spoke on '*The changing face of Indian Agriculture: Hedging Risks*'. He informed that 86% of the Indian farmers belong the small and marginal category, i.e. having a land less than 2 hectare and 1 hectare respectively. The objective for the introduction of '**Crop Insurance Scheme**' was to safeguard the livelihoods of the farmers, in situations where their crops are destroyed and a loan is looming on their head. To prevent such hardship to the farmers, the government made it compulsory for the 'borrowing farmers' to take crop insurance for a very small premium amount. Today, crop insurance has a major footing in the Indian agricultural system and most of the states have adopted and accepted crop insurance policy except states like Punjab & Haryana- they have well laid out irrigation systems.

He highlighted the need for development of newer agriculture insurance products. Government initiatives in the form of New Enterprise Incentive Scheme (NEIS), introduction of 'Pradhan Mantri Fasal Bima Yojana' (PMFBY) and workings of Express Industry Council of India (EICI), will provide the much required support in the agricultural sector.

He informed about the introduction of '**Agriculture Risk Sharing**', i.e. if the claim of a farmer is beyond 100% of the premium, the concerned State will bear the expenses beyond 100%. He concluded by saying that the crop insurance market has to be modulated and moderated.

Mr. Pradeep Chaturvedi, Vice President, Institute of Directors, India, in his '**Closing Remarks**' thanked the top policy makers and representatives of Government of India, namely **Dr. Anup Wadhawan, IAS**, **Mr. Debasish Panda, IAS** and **Mr. Tuhin Kanta Pandey, IAS**. Thanks were also conveyed to **Mr. Vipin Anand** and **Mr. Yashish Dahiya** for their

bring the required efficiency in the processes, by reducing time and, in due course, will benefit the customer.

He mentioned the **two key challenges faced by the Boards in embracing digitization**, namely:

- i. **IT Legacy** (e.g. non-standardized interfaces)
- ii. **Product Legacy** (Product complexity hinders digitization and is also one of the major obstacles, which is not fully discovered)

Mr. Mathur emphasized that '*Digitization is one strong lever for the Insurance Sector*', and shared some steps in implementation of digitization:

- i. Insurers should begin with Piloting New Customer Journey
- ii. Transformation of Operating Model
- iii. New Channel Strategy

iv. Data Transparency

He concluded his address by saying, '*Everything is evolving and very rapidly!*'

Dr. Prakash spoke on '*Capitalizing on the global evolution in the Health Insurance Industry*'. He shared that the growth in the Insurance Sector due to Covid-19 was augmented in August-September-October, 2020. On a positive note, the global pandemic brought a much-needed 'Digital Revolution', but unfortunately, it also disrupted the processes for customer's claims and the insurance industry is still facing a big challenge in the form of huge claims.

He highlighted the need for a separate 'Regulator' for health care services, to help in standardizing costs. The current trend in the Insurance Industry is more of a '*push market*' but we have to convert it into a '*pull market*'. Finally, he urged that young people should come forward

Keynote Address and informed presentations. **Mr. Shailesh V. Haribhakti FCA** was thanked for the lively Q&A session and interaction with the speakers and audience. The speakers for the Keynote Session were also thanked for their thoughts on Corporate Governance, digitization and insurance in various sectors.

The event was widely supported. Special thanks were conveyed to the Principal Partners, Platinum Partners, Gold Partners and Silver Partners for the event. The Principal Partners for the event were: **Life Insurance Corporation of India** and **Policybazaar.com Group of Companies**. The Platinum Partners included **Agriculture Insurance Company of India Limited** and **SBI Life Insurance Company Limited**. The Gold Partners for the event were **Union Bank of India**, **Odisha Mining Corporation**, **IFFCO-Tokio General Insurance Company Limited** and **HDFC ERGO General Insurance Company Limited**. The Silver Partners for the event were **Cholamandalam MS General Insurance Company Limited**, **Universal Sampo**

General Insurance Company Limited, ICICI Lombard General Insurance Company Limited, Star Health and Allied Insurance Company Limited, ECGC Limited (Export Credit Guarantee Corporation of India) and **Spices Board of India**.

The Webinar was covered very widely in the national print media, including major dailies such as The Economic Times, besides the Reuters press agency.

Promotional videos were played on the screen tour. The event was hosted online via IOD's licensed Cisco Webex account, and also streamed live on IOD's account on Facebook, YouTube and LinkedIn. ■

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Mr. Ashok Kapur, IAS (Retd.)
Director General
Institute of Directors, India

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CHAT BOX

Questions to the speakers by the participants

What is the roadmap to create an infrastructure of social registries/ platforms to address the needs of the migrant and gig economy by providing them with a security net?

Mr. Suresh Sethi

Managing Director & CEO, NSDL e-Governance Infrastructure Limited, Mumbai

Is govt contemplating Insurance Code in view of 74% FDI into insurance on the lines of labour Code?

Mr. Mandadi Saradhi

Arbitrator and Mediator
Hyderabad

After the proposed IPO of LIC, will it retain the public sector character and what main changes and challenges are envisaged?

Mr. N. Ravikumar

Professional Banker (Retd), Indian Bank, Chennai

What do you think the impact of trust on long term in policies at the context of privatization?

Thank you for an excellent session!

Mr. Jayanandan Puthariveedu

Director - Corporate Systems, Utopia India Pvt. Ltd.

As per me defects can be made zero by integrating various legitimate information of insured from Government with Insurers systems (technology).

Yes, as per me increased banking through digital mode can increase Insurance density and penetration in India.

As per me budget on digitization and digitalization needs to be increased as it was considered secondary.

As per me protection ecosystem needs to be evolved for agriculture Insurance wherein all are protected. Moreover once all are protected vide farming requisite product brainstorming vide features and pricing be built up.

Besides as per me Insurance itself means financial protection wherein financial inclusion (although limited to loans-finance) will make Insurance inclusion.

Thank you all for informative session.

Mr. Sachin Udepurkar

Independent Director & Management Consultant, Mumbai

We are recommending and suggesting a system which helps to develop each insurance agent. It can be linked with policy bazaar app and monitor as Swiggy delivery partner app to avoid agents from losses and make sure relevant health policy is taken by the customer end to meet exact requirements sir.

Thank you for every one! Great session

Mr. Shivashankar K.
Skill Guide

Why are there still instances of patients not getting discharge from hospitals, till they pay additional amounts, over and above that agreed with the insurance companies in their agreements?

Now that Crop Insurance is optional, do you see a drop in premium volumes;

what is the protection option for the farmer in case of natural catastrophes?

To what extent is drone technology being used in India to evaluate crop losses?

Mr. Parijat Dutta

Independent Director, United India Insurance Co. Ltd.

Thank you IOD

Mr. Anil Dixit
CFM, WSP India, M.IOD

What's Next For Insurtechs in 2021?

*Yashish Dahiya



Industries and society have suffered economic and psychological shocks ever since Covid-19 struck. However, the silver lining here is that people started realizing the importance of insurance as a financial protector in such unprecedented times. Digital technologies are rapidly changing the way we live and work in the pandemic and insurtechs are playing a vital role in bringing digital innovation to the insurance sector as a whole.

Traditionally, the insurance sector has been synonymous with legacy IT systems. Volumes of data need to be maintained due to the critical need of a heavily regulated sector. Core applications of the sector have been the same which include claims filing, policy issuance, policy management, underwriting etc. However, the behaviour of customers has evolved over the years. Earlier, they used to buy insurance through a family friend, relative etc. With the increase in urbanization, customers prefer doing online research before buying insurance. This is why insurtechs are crucial for the entire ecosystem.

Digital is driving buying decisions including interacting with the insurance

provider, on the mobile or website, or getting all the information about a product easily. Customers now prefer speed, smooth claim settlement processes, contact-less issuance of policies, etc. Therefore, a range of new technologies has come up that is disrupting the market including artificial intelligence-based claims resolution, usage-based insurance, micro insurance, etc.

Looking at the number of Covid-19 cases globally, social distancing is here to stay at least for a year. So, there is a need for an end to end digital processes in the insurance space. Insurtechs need to focus on the following aspects in 2021 for a better customer experience:

Underwriting will move towards additional data points

Insurers are using additional parameters, which were previously not being used for risk assessment. Newer parameters are being used to assess and segregate risks in collaboration with intermediaries. The information sought requires two key things. Firstly, the data should be dependable and secondly, data obtained should be computed from elsewhere so that it's hassle free for the customer.

Insurers are increasingly using data points than can give a sense of differentiation between low risk profiles and the higher risk customers, so that they are able to give those at a lower risk a better value proposition while making sure the later ones pay for their risk levels fairly.

Remote fulfillment

Even as unlock has happened and people have started to step out of their homes, the fear of Covid-19 still remains. The impact of Covid-19 in terms of digital transformation of insurance will continue. Insurtechs will have to focus on remote fulfillment to offer services quickly and conveniently to customers. Remote fulfillment includes remote examinations, inspections, claims fulfillment, etc. For instance, Policybazaar and leading insurers have come together to issue life and health insurance policies by doing medical check-ups over the phone or through video calls. The insurance firms arrange for a telephonic consultation with an accredited doctor who would remotely assess your medical history, also known as tele-medical. Video-medicals are also taking place wherein a doctor conducts a medical examination through a video call.

Combating fraudulent claims

Insurance fraud is a big concern for the industry and it is increasing every year. It is not practically possible to check records of fraudsters manually as the number of false claims is on the rise. Data analytics can play a big role in mitigating this challenge. It is also an accurate way of checking frauds compared to a manual method. For example, Policybazaar identified an insurance fraud where there were 125 purchases in a month from a particular city and the conversion rate suddenly increased from 8% to 23%. We use advanced technologies like audio transcriptions and correlating the

conversations with the details provided which help to identify suspicious customers.

Digital claims would improve customer experience

We expect robotic process automation across the value chain right from the time a customer raises a claim till the point the payment is made to the customer. This includes accepting a claim, validating if the claim is permissible, hospital raising the bill against what was validated and finally deciding what has to be paid and then the payment.

Overall, the regulator will have a major

role in balancing the key factors that define insurance- risk, data privacy, and insurability.

***Mr. Yashish Dahiya** is the Group Chief Executive Officer (Group-CEO) and Co-Founder of PolicyBazaar.com Group of Companies. Before starting his entrepreneurial, he was the Managing Director, ebookers.com- a leading pan-European online travel distributor, which was also an FTSE 250 company listed on Nasdaq. Previously, he was with Bain & Co. He holds a Bachelor's Degree in Engineering from IIT Delhi, a Post Graduate Diploma in Management from IIM Ahmedabad, and an MBA from INSEAD. ■



Company Profile

Policybazaar.com

Policybazaar.com is India's largest insurance marketplace and a leading insurtech brand globally. It is the flagship brand of Policybazaar.com Group of companies, that owns fintech brand, Paisabazaar.com, b2b venture, ZPhin.com, and lending & insurance marketplace in the UAE region, Policybazaar.ae

The Policybazaar.com Group has backing from a host of investors including the likes of Soft Bank, InfoEdge (Naukri.com), Temasek, Tiger Global Management, True North, Premji Invest, besides investments from other PE funds and family offices. Policy - bazaar.com started with a purpose to educate people on insurance products

and has had a significant influence on how insurance is bought in India. It has helped in driving penetration of pure life insurance, health insurance, and such products which were barely bought earlier.

From receiving traffic of 180,000 visitors in 2008, Policybazaar.com has come a long way and today hosts over 120 million visitors yearly and records sales of nearly 10 lac transactions a month. Currently, Policybazaar.com accounts for nearly 25% of India's life cover, and over 10% of India's retail health business. It accounts for roughly half of all internet-based insurance purchases in the country and is more than doubling annually.

The company has received several

accolades in India and globally. The most noteworthy being recognized as India's top and world's leading "FinTech Innovator" by the Global consultancy firm, KPMG and venture capital fund, H2 Ventures for 2015, 2016, 2018 & 2019. It has won a range of awards in the last couple of years, many of them consecutively. These include The Financial Express "Best Fintech Marketplace", Internet & Mobile Association of India (IAMAI) Digital India Award for "Best Financial Website" & "Most Innovating Insurance Service", IDC Iconic Award for "Tech Implementation leading to Operational Excellence", Asia Insurance Review Award for "Insurtech of the Year", to name a few. ■