

Role of NGO's in distribution of Micro and Social Insurance with **CSR linkage**



Mr. Saurabh Sanyal, Executive Director, PHD Chamber; Mr. A.P. Singh, Zonal Manager (North), LIC of India; Mr. Yogesh Lohiya, MD and CEO, IFFCO-Tokio General Insurance Company Limited; Mr. Pawan Puri, Co-Chairman, Banking and Financial Services Committee, PHD Chamber; Mr. S.B. Mathur, Formerly Chairman & Managing Director, LIC of India & Formerly Secretary General, Life Insurance Council; Mr. Amarnath Ananthanarayanan, MD and CEO, Bharti AXA General Insurance Company Limited and Mr. Chandrakant Mishra, Executive Vice President, Religare Health Insurance Company Limited.

PHD Chamber organized a 'Conference on Role of NGO's in distribution of Micro and Social insurance with CSR linkage' at PHD House, New Delhi on June 20, 2013.

In his welcome address, Mr. Saurabh Sanyal, Executive Director, PHD Chamber expressed concern over the abysmal performance of self-help groups in distribution of micro-insurance products. He appreciated Life Insurance Corporation (LIC) of India's Vision 2020 of providing an insurance policy to every Indian by the year 2020.

Mr. Pawan Puri, Co-Chairman, Banking and Financial Services Committee, PHD Chamber highlighted that a non-government organization can substantially reduce costs of the insurers and hence become an effective channel through which micro-insurance policies are distributed.

Mr. S B Mathur, Formerly Chairman and Managing Director, Life Insurance Corporation Of India and Former Secretary General, Life Insurance Council mentioned that about two-thirds of the entire business of micro-insurance in India is conducted through NGO's. He opined that micro-insurance should be provided to citizens who are above the poverty line.

Mr. Yogesh Lohiya, MD and CEO,

IFFCO-Tokio General Insurance Company Limited, highlighted that micro-insurance is a significant long-term business opportunity rather than a CSR activity. He shared how Iffco Tokio has innovated the distribution of micro insurance by leveraging IFFCO's rural market presence.

Mr. A P Singh, Zonal Manager, LIC stressed on the regulation of non-government organizations working in India, micro-insurance policies and social security schemes offered by LIC to the bottom of the pyramid.

Mr. Amarnath Ananthanarayanan, MD and CEO, Bharti AXA General Insurance Company Limited suggested that focus of financial institutions should shift from microfinance to micro-insurance. He highlighted that by 2035, half of the poor are projected to live in urban areas, so the target insurers should be urban poor.

Mr. Chandrakant Mishra, Executive Vice President, Religare Health Insurance Company Limited stated that insurance companies faced the challenges of limited data about underprivileged, inadequate distribution channels and fraud.

Mr. Dipankar Acharya, Regional Chief Executive, Royal Sundaram Alliance Insurance Company Limited,

opined that the partner agent model was appropriate for improving the prospects of micro-insurance in India. Adequate training should be provided to micro-insurance agents and also conventional insurance policies must be adjusted to suit the rural market.

Mr. S K Sethi apprised the audience that India has about 50 percent of the world's share in micro-insurance but, in reality, only top two percent of our population has access to insurance. He said that NGO's can play a pivotal role in conjunction with CSR groups of different companies in increasing penetration of micro insurance.

Mr. R K Mukherjee, Deputy Director of Training, Micro Insurance Academy spoke about the need of spreading awareness about insurance and that training NGOs was important.

Mr. Siddharth Kamble, Manager at New India Assurance Company Limited noted that the highest number of BPL families live in India but not much has been done to reach out to them. Mr. Surender Pal, Trainer, Insurance Foundation Centre said that high transaction costs refrain insurers from providing valuable insurance cover to the poor.

Mr. Debjit Talapatra, Director, PHD Chamber moderated the panel discussion and proposed the vote-of-thanks to the audience.