Power Panel: Cyber Security, Insurance Fraud and Risk Management

[L-R] Bharat Panchal, Head - Risk Management, National Payments Corporation Of India; Sanjiv Kumar Dwivedi, Vice President, Investigation and Loss Mitigation, Bajaj Allianz General Insurance Company; Prashant Maldikar, Head IT-Security, IndusInd Bank; Yagnesh Parikh, EVP-CTO, ICICI Securities; Ankush Kumar, Principal Correspondent, Express Computer

The panel discussion began with Sanjiv Kumar Dwivedi presenting an insight on various kinds of frauds that are happening in the BFSI sector. He said, "In any given organisation, there can be internal and/or external frauds. The internal frauds maybe related to data leakage, misappropriation of assets, etc., while the external frauds generally happen due to instances of fraudulent claims, impersonation, etc."

Sanjiv Kumar Dwivedi was of the view that the insurance companies must have a dedicated Investigations team for nabbing fraudsters. They must also have a robust whistleblower policy and they have to provide adequate training to their staff to keep fraudsters at bay.

Bharat Panchal stated that as far as the payment systems are concerned, India is one of the most secure places in the world. "In the area of payment systems, the regulator is doing good work, and all the institutions are adhering to the guidelines," said Panchal.

Ankush Kumar wanted to know about the steps that the institutions were taking for educating their customers about the pitfalls of exaggerating claims. "There is scarcity of talent in the areas of claims investigation," Dwivedi said. He informed that in Europe the scorecard method is being followed for carrying out the investigation, but such a system is yet to be developed in India.

Prashant Maldikar stressed that it was important for every application that is being implemented by the BFSI segment to have a dedicated process for governance. He informed the audience that the Indus Ind Bank has taken specific steps in this direction. He was also of the view that along with identifying vulnerabilities, the BFSI organisations must also take proactive steps to plug them.

Yagnesh Parikh said that security has to be the major focus area of every business that is being hosted on the Internet. "We need to give very high priority to securing our applications," he said. "The modules must be cleaned and the security loopholes must be plugged before any application is rolled out." He informed the audience that ICICI Securities had now implemented two factor authentication. He gave an overview of other security solutions that ICICI Securities has in place.