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In a first, insurance company offers cybercrime cover for individuals

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Mumbai: For the first time, individuals can buy insurance cover against cybercrime, including loss of funds to online fraud, identity theft, cyber stalking, phishing, cyber extortion and malware attack.

While customised cyber liability cover for businesses has been around for years, these were not over-the-counter covers that could be bought by individuals.

The Cyber Safe policy designed by Bajaj Allianz General Insurance is aimed at improving the level of comfort



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Tapan Singhel | MD & CEO, BAJAJ ALLIANZ GENERAL INSURANCE

among individual internet and e-commerce users.

“This cover is the first of its kind designed keeping in mind the changing risk profile of the consumer. A couple of decades ago the biggest risk was having your pocket picked. In this day and age covers against pickpockets do not help when the bigger risk is of cybercrime,” said Tapan Sing-

hel, MD & CEO of the firm.

“In today’s digital world, the amount of personal data being generated, transmitted, and stored on to various digital devices is growing. The critical nature of this data and the complexity of the systems that support its transmission and use have created a gamut of cyber risks,” said Singhel.

While the policy can be

purchased for a sum insured ranging from Rs 1 lakh to Rs 1 crore the company has not disclosed the premium schedule. According to officials the rate will vary depending on the number of hours the individual spends online. “The premium will be in a broad range,” said Singhel.

The cover is not device-specific and will cover transactions made using family devices or devices at work. However, the policy expects the insured to not undertake transactions in cybercafes or suspect devices.

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Cyber crime cover for individuals

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In addition to financial loss, the cover will compensate cost of legal defence if a hacker accesses the policyholder's credentials and puts out controversial comments in social media. Besides defending the insurer, it will also provide legal costs for proceeding against the wrongdoer in cases like stalking. Those who fall prey to sophisticated phishing frauds are also protected.

The global cyber insurance market is estimated at

\$4 billion and is expected to grow to \$20 billion by 2025. The Indian cyber insurance market is valued at Rs 30 crore only and comprises of protection bought by institutions. The recent Wannacry ransomware attack has highlighted the need for such a cover among businesses.

Several credit card issuers have also provide cover against online fraud to cardholders. However, this protection is under a corporate cover purchased by the bank and is not available to individuals.