

# Cyber insurance to soon become 'must have' for all individuals

DEEPTHI NANDAN REDDY @Hyderabad

AS the amount of personal data being generated, transmitted, and stored on various digital devices and platforms grow exponentially, the risk of cyber attacks is also rising at an alarming rate.

According to Indian Computer Emergency Response Team (CERT-In), about 44,679, 49,455, 50,362 and 53,081 cyber attacks occurred in the years 2014, 2015, 2016 and 2017. Over 9,622, 11,592, and 12,317 cases related to cyber crime were registered in 2014, 2015, and 2016, respectively, as per the NCRB.

What's more worrying is that most of the cyber crimes are aimed at achieving financial gains and attacks on individuals are rising.

"We are the first insurer to introduce cyber insurance policy for individuals a year back. The significance of our personal data which we share with banks and other institutions and the complexity of the digital systems which use and transmit it, have created a wide range of cyber risks," says Sasikumar Adidamu, Chief Technical Officer, Bajaj Allianz General Insurance. "Hence, I believe cyber cover for individuals is the need of the hour."

Right now, insurance companies like Bajaj Allianz, HDFC ERGO are offering cyber insurance covers. Given that more people are using smart phones and financial transactions via Internet and mobile are rising, cyber insurance may soon become a 'must-have' in an individual's financial plan.

"India is the second largest online market, with a huge scope for exponential growth. But, this great opportunity comes with an even bigger menace of cyber risks and frauds. In today's digital world, the people are freely sharing a lot of personal as well as financial information online. This is being misused," explains Ritesh Kumar, MD and CEO, HDFC ERGO General Insurance Company.

"People should go for comprehensive cyber cover, which protects cyber risks like unauthorised online transactions, phishing, email spoofing, e-extortion, identity theft, damage to e-reputation and cyber-bullying. In fact, our insurance policy even pays for legal expenses and advice sought by customers in case of a legal dispute arising out of specified risks covered in the policy and also children who are more vulnerable."

In India, the premiums charged for cyber insurance policies right now are affordable — starting from as low as ₹1,000 and going up depending on the sum insured and other features.

## SCOPE FOR COVER

Awareness about cyber crime risk and an insurance covering it is quite low in India, posing a challenge for insurance companies. However, with incidents like WannaCry, insurers believe the people will start realising the importance of having a cyber-cover in the coming days.

## What cyber insurance offers

- Identity theft cover
- Social media cover
- Cyber stalking cover
- IT theft loss cover
- Malware cover
- Phishing cover
- E-mail spoofing cover
- Media liability claims cover
- Cyber extortion cover
- Privacy breach and data breach by third party
- Cyber bullying