

## *While banks struggle, insurers make Aadhaar linking easy*

Customised apps, touch-points render the process hassle-free for customers

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Hyderabad, January 1

Even as banks struggle to get accounts linked to Aadhaar and customers face a tough time, insurers are making it relatively easy for customers to link their policies with Aadhaar numbers.

All insurers have been mandated by the Insurance Regulatory and Development Authority (IRDAI) to link insurance policies with the Aadhaar numbers of customers by March 31, 2018.

The process has already commenced and is "smooth" and "hassle free", according to Manoj Kumar Jain, Man-

aging Director, Shriram Life Insurance Company.

"We are using a customised application through which our customers can link their Aadhaar numbers by SMS," Jain said, adding that the app can also work on feature phones.

The company, he said, has already completed over 60 per cent of the task. As for new policies, 90-95 per cent have been linked, he added.

With the lion's share in the life insurance market, Life Insurance Corporation (LIC) of India, too, has gone hi-tech and has provided for Aadhaar linkage on its

portal. LIC and many private players had started taking Aadhaar of customers even before it became mandatory.

"We have enabled linkage across all touch-points, including the website and our chatbot," RM Vishakha, MD and CEO, IndiaFirst Life Insurance, said.

### **The benefits**

"I believe this will be important for data analytics, which will help improve underwriting, reduce frauds and, ultimately, positively impact genuine customers," Vishakha added.

For those insurers who source customers through bancassurance and non-banking finance companies, the task is much easier as



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Aadhaar gets linked by them as part of their process.

The task, however, is huge

as the total number of insurance policies is estimated to be over 30 crore.

IRDAI's annual report 2015-16 (the annual report for 2016-17 is yet to be released) shows that life insurers issued 2.67 crore new policies, of which LIC accounted for 2.05 crore; the rest were issued by private players.

In the non-life segment, 12.20.76 lakh policies were issued.

IRDAI data show that the cumulative new business premium of all life insurers from April-November 2017 stood at ₹1,22,937 crore (₹1,03,405 crore in the year-ago period). LIC had a market share of 73.4 per cent, up from 72.8 per cent a year ago.