

# Ajeenkya D Y Patil University

School Of Management



## **Project Title**

“A STUDY ON CYBER INSURANCE AND CONSUMER  
PREFERENCE IN PUNE”

Proposed to be submitted

IN PARTIAL FULFILLMENT TO AWARD THE DEGREE IN

**BACHELOR OF BUSINESS ADMINISTRATION**

**BBA-FINANCIAL SERVICES**

By

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Submitted to

Prof. Amir Mohan

## **DECLARATION**

I, Mehul singh kumar hereby declare that the project report “A COMPARATIVE STUDY ON CYBER INSURANCE AND CONSUMER PREFERENCE IN PUNE” for the fulfilment of the requirement of my course BBA(bachelor of business administrative) from Ajeenkya D Y Patil University. This is an original work of mine and the data provided in the study is authentic, to do to best of my knowledge.

This report has not been submitted to any other institute and university for awards of any other degree.

**MEHUL SINGH KUMAR** Date: 23 March 2019

**Sign:**

**Place: Pune**

## **ACKNOWLEDGEMENT**

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Thanking You

Mehul singh kumar

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# CHAPTER - 1

# INTRODUCTION

Cyber-insurance is an insurance item used to shield organizations and individual clients from Internet-based dangers, and all the more by and large from dangers identifying with innovation foundation and exercises. Dangers of this nature are normally avoided from conventional business general obligation strategies or if nothing else are not particularly characterized in customary insurance items. Inclusion given by cyber-insurance approaches may incorporate first-party inclusion against misfortunes, for example, information annihilation, blackmail, robbery, hacking, and refusal of administration assaults; obligation inclusion repaying organizations for misfortunes to others caused, for instance, by mistakes and oversights, inability to defend information, or slander; and different advantages including customary security-review, post-episode advertising and analytical costs, and criminal reward reserves.

India ranks 3rd in terms of the highest number of internet users in the world after USA and China, the number has grown 6-fold between 2012-2017 with a compound annual growth rate of 44%. And India secures a spot amongst the top 10 spam-sending countries in the world alongside USA .India was ranked among the top five countries to be affected by cybercrime, according to a 22 October report by online security firm "Symantec Corp".

## **AIMS & OBJECTIVES**

- The objective of the research is to know about the consumer preference on cyber insurance in particular area that is Pune, Maharashtra by random sampling method.
- To find about cyber insurance awareness in Pune.
- To find about cyber-attacks ratio in Pune, Maharashtra.
- To know about the one of the best cyber insurance provider company in Pune, Maharashtra.
- To know why cyber insurance is necessary now days in world of uncertainty.

## **LIMITATIONS**

- The number of people who responded to the survey can be improved.
- Limited awareness of cyber insurance and cyber-security.
- The major limitations of the study is that I didn't get exact data of premium by an organisation because cyber-insurance is new in India and at very lower level in insurance sector.
- The executives and agents were not aware in detail about cyber insurance and premiums.
- The study is limited to the certain companies only ,because of the lack of information and data.

# RESEARCH METHODOLOGY

## METHODOLOGY OF MY RESEARCH: -

As far as my objectives of this project are concerned, I cannot come to a conclusion unless and until I conduct any research. Even if there is ample of material on internet it does not assure any worthiness if compared to the actual ground result. Interacting with actual random population of Pune will give me immense knowledge on the project which I am working.

### Which type of Research will I conduct?

The type of Research I am going to conduct is Quantitative Research.

My research would contain Questionnaire with. It will have Primary Data, as I will collect information from various sources with the help of Survey. I will design a questionnaire having all the questions which will support and help my research project. I will then put all the information together to come to a final conclusion. My research Methodology will also have diagrammatic explanations i.e. with the help of Charts, Graphs and other 2D and 3D Diagrams.

<b>TYPE OF RESEARCH</b>	<b>QUANTITATIVE</b>
<b>TYPE OF DATA</b>	<b>PRIMARY AND SECONDARY</b>
<b>SOURCES OF INFORMATION</b>	<b>QUESTIONNAIRE</b>
<b>SAMPLE SIZE</b>	<b>107 RESPONDENTS</b>
<b>SAMPLE UNITS</b>	<b>RANDOM POPULATION OF PUNE</b>



# CHAPTER-2

## CYBER INSURANCE IN INDIA

The Internet has become our second world where we are spending more and more time doing lots of activities. We are unknown of the risk associated with our actions on the internet. Every act on the internet is recorded and stored on the servers. The amount of behavioural data we are generating on the internet is huge and are exposed to cyber-attacks. So to secure yourself against any cyber-attack there is a new product called cyber insurance.

In May 2017, WannaCry ransomware attack is estimated to have impacted more than 230000 computers across 150 countries in just one day. I remember the banks and other financial companies have asked their customers to NOT to do any online financial transactions till further notice from their side. Here is the screenshot of the ransom note left on an infected computer.

India was the third most affected country under WannaCry cyber-attack. A few months back, Zomato and Uber also faced data breached issues. So now these companies have understood the importance of the cybersecurity and its impact on their business and brand image.

The concept of cyber insurance is still in its childhood as far as India is concerned. It is prevailing in the western world for now almost ten years.

**As I mentioned above, cyber insurance is a new-born baby in India. But the growth of the industry is more than 50% YOY. Last year the industry has grown by 50%. The industry is expected to reach Rs. 400 crore in next 2 years. Insurance company.**

# **TYPES OF CYBER INSURANCE**

**HACKSURANCE** - Insurance against cyber-attacks and hacking attacks.

**THEFT AND FRAUD** - Spreads obliteration or loss of the policyholder's information as the consequence of a criminal or false cyber event, including robbery and exchange of assets.

**FORENSIC INVESTIGATION** - Spreads the legitimate, specialized or scientific administrations important to evaluate whether a cyber attack has happened, to survey the effect of the assault and to stop an assault.

**BUSINESS INTERFERENCE**- Covers lost income and related costs where a policyholder is unable to conduct business due to a cyber event or data loss.

**BLACKMAIL**- Provides coverage for the costs associated with the investigation of threats to commit cyber attacks against the policyholder's systems and for payments to extortionists who threaten to obtain and disclose sensitive information.

**REPUTATION INSURANCE** - Insurance against reputation attacks and cyber defamation.

**PC INFORMATION MISFORTUNE AND REBUILDING**- Spreads physical harm to, or loss of utilization of, PC related resources, including the expenses of recovering and reestablishing information, equipment, programming or other data annihilated or harmed as the aftereffect of a cyber assault.

**REFERENCE** - [https://en.wikipedia.org/wiki/Cyber\\_insurance#Types](https://en.wikipedia.org/wiki/Cyber_insurance#Types)

## HISTORY

Early works during the 1990s concentrated on the general benefits of cyber-insurance, or conventions acquired from computerized money to empower hazard reallocation in conveyed frameworks. In the late 1990s, when the business viewpoint of data security turned out to be more unmistakable, dreams of cyber-insurance as a hazard administration instrument were planned. In spite of the fact that its foundations during the 1980s looked encouraging, battered by occasions, for example, Y2K and the 9/11 assaults, the market for cyber-insurance neglected to flourish and stayed in a specialty for strange requests. Inclusion is firmly constrained, and customers incorporate SMBs (little and medium organizations) needing insurance to fit the bill for tenders, or network banks too little to fence the dangers of their internet managing an account activities.

If not the first, something like one of the first, cyber obligation arrangements as we currently call them was produced for the Lloyd's of London advertise in 2000. The strategy was initiated by Keith Daniels and Rob Hamesfahr then lawyers with the Chicago, IL law office of Blatt, Hammesfahr and Eaton. Working intimately with Ian Hacker, at that point a Lloyd's financier, and Ted Doolittle and Kinsey Carpenter, at that point specialists with Kinsey Carpenter, a San Francisco, CA insurance expedite, the strategy furnished outsider inclusion alongside business interference inclusion. In those early days, it was imagined that a major hazard would be for an organization to carelessly transmit an infection that could contaminate different organizations frameworks who might then bring suit against the first organization and in addition business intrusion. The approach was one of the first, also, to incorporate first-gathering and outsider inclusions in a similar frame. While such mistakes and exclusions have likely occurred, suits against associations on this premise have turned out to be uncommon. The focal point of structures that have created since 2000 has been on business intrusion, instalment of fines and punishments, credit observing costs, advertising costs and the expense of re-establishing or revamping private information and they proceed to extend and develop today. Likewise, innovation blunders and oversights strategies are currently sold with outsider inclusion to

associations, for example, software engineers and innovation installers who could get sued if their recommendation or item neglects to be palatable to their customers. Other early participants to the cyber advertise included American International Group (AIG) and Chubb. Today, there are in excess of 80 organizations contending in the cyber showcase.

Indeed, even a 2002 preservationist conjecture, which anticipated a worldwide market for cyber-insurance worth \$2.5 billion of every 2005, ended up being multiple times higher than the span of the market in 2008. Overall, in relative terms, the market for cyber-insurance shrank as the Internet economy developed.

By and by, various deterrents have kept the market for cyber-insurance from accomplishing development; nonappearance of dependable actuarial information to process insurance premiums, absence of mindfulness among chiefs adding to too little interest, and additionally lawful and procedural obstacles have been distinguished in the original" of cyber-insurance writing until about 2005. The last angle may cause dissatisfaction while asserting remuneration for harms. Besides, substances considering cyber-insurance must experience a progression of frequently intrusive security assessment methodology, uncovering their IT foundations and strategies. Then, seeing a huge number of vulnerabilities, a great many assaults, and considerable enhancement in characterizing security gauges and PC legal sciences raises doubt about the legitimacy of these elements to causally clarify the absence of an insurance advertise.

## **CYBER INSURANCE PROVIDERS IN INDIA**

There are many insurance companies which provide cyber insurance cover in India. Among them, HDFC Ergo, Bajaj Alliance, and Tata AIG are the leading one.

**REFERENCE-** [https://en.wikipedia.org/wiki/Cyber\\_insurance#History](https://en.wikipedia.org/wiki/Cyber_insurance#History)

# CHAPTER-3



**HDFC ERGO General Insurance Company Limited** is a joint venture between HDFCLtd. and ERGO International AG, a Germany-based company that is part of the MunichRe Group. HDFC holds 51 per cent, and ERGO the other 49 per cent. The firm operates in 101 Indian cities with over 117 branches and 2,000 staff members. The Company marked the first merger in the General Insurance sector in August 2017, with IRDAI's approval for the merger of HDFC ERGO General Insurance Co. Ltd. with HDFC General Insurance Ltd. (formerly Known as L&T General Insurance Co. Ltd.), and the merged entity, known as HDFC ERGO General Insurance Co. Ltd., is the third largest General Insurance provider in the private sector.

HDFC ERGO offers products like Motor, Health, Travel, Home and Personal Accident Insurance in the retail space and customized products like Property, Marine and Liability Insurance in the corporate space through its vast network of 122 branches which is spread across 106 cities and a wide distribution network.

HDFC ERGO has left no stone unturned in providing customer service, as the Company follows a 30 minute turn-around-time (TAT) for the processing of pre-authorized cashless Health Insurance Claims and a 15 minute TAT to process pre-authorized cashless Motor Insurance claims.

## **HDFC ERGOCYBER SECURITY**

Cyber Security by HDFC ERGO is designed to protect commercial businesses against a wide range of first and third party liability occurring out of cyber exposures associated with e-business, internet, networks and information assets.

Companies with access to private & confidential information about their customers have a responsibility to keep it secure. Equally, companies who have a web presence or a dependency on technology have emerging content and transactional exposures.

Cyber risk is steadily increasing. Security/Data breaches affect millions of records a year and reports of breaches continue to rise at a dramatic rate. The introduction of viruses and unauthorized access are well known examples.

- Combined benefit of third-party (cyber liability) and first-party (cyber-crime expense) coverage
- Broad definitions of "computer" and "system" address enterprise wide network exposure, including laptops, disk drives, backup tapes, and mobile devices
- No exclusion for fraudulent or malicious acts by employees.
- Disclosure Liability coverage extends to outsourced data processing and data storage services.
- Privacy notification expenses coverage is triggered without a requirement for a claim or a regulatory requirement mandating the notification
- Covers Cyber hacking and cyber-attack incident.



REFERENCE - <https://www.hdfcergo.com/cyber-insurance/e-secure-insurance.html>

## COVERED UNDER CYBER INSURANCE

- **Legal Protection** -Covers legal cost and expenses In case of a legal dispute arising out of specified covered risk as listed below. Also covers cost of legal advice sought by the insured
- **Unauthorized online transactions**- Covers fraudulent online transactions made on your bank account /debit/ credit card/ e-wallets by a third party
- **Phishing and E-mail spoofing** – Covers financial loss suffered due to direct result of phishing and email spoofing
- **Damage to E-Reputation** - Covers damage to personal reputation when third party publishes harmful information about you on the internet (including forums, blog postings, social media and any other website)
- **Identity theft** - Reimburse expenses incurred due to loss of your personal information over the internet by a third party to obtain money, goods or services
- **Cyber bullying** -Covers expenses incurred for psychological counselling, if you are the victim of cyber bullying or harassment by the third party
- **E-extortion** - Covers financial loss suffered by you as a result of an extortion threat.

### Eligibility

- Anyone over 18 years of age can buy this policy
- Extend cover to include self, spouse and two dependent children (max up to 4 family members)

REFERENCE -<https://www.hdfcergo.com/cyber-insurance/e-secure-insurance.html>

## PREMIUM OF HDFC ERGO CYBER INSURANCE

Limits (INR)		50,000	100,000	500,000	2,000,000	5,000,000	10,000,000
Individual		1,410	1,938	3,524	6,167	10,044	14,273
Add on - Individual + Family		NA	NA	6,167	9,868	15,859	22,907
Add on - Malware Extension	Individual	1,551	2,132	3,877	6,784	11,048	15,700
	Individual + Family	NA	NA	6,784	10,855	17,445	25,198

As given in above outline , the premium of INDIVIDUAL CYBER INSURANCE for inclusion of 50 thousand rupees the gross premium will be Rs.1410 and same as on given in above chart for 1 crore rupees singular premium for CYBER INSURANCE will around 14273-15700 rupees and same as on include of family premium will be around 22907-25198 rupees .



Bajaj Allianz General Insurance is a private general insurance organization in India. The organization is a joint endeavor between Bajaj Finserv Limited (once in the past piece of Bajaj Auto Limited) possessed by the Bajaj Group of India and Allianz SE, a German money related administrations organization.

Bajaj Allianz General Insurance got an Insurance Regulatory and Development Authority of India (IRDAI) authentication of enrollment on 2 May 2001 to direct broad insurance business, including medical coverage, in India. In the principal year of its activities the organization had 36 workplaces and around 100 representatives. The organization begun its tasks with a paid up capital of ₹1.10 billion. Bajaj Finserv Limited holds 74% and the staying 26% is held by Allianz SE. Bajaj Allianz is headquartered in Pune with workplaces in more than 200 urban communities in India and in excess of 3,500 representatives starting at 2018.

The Company records 97 documented and endorsed items, of which 27 are wellbeing(health) items.

In January 2014, the organization declared it would open up all-ladies branches. Starting at 2015, the organization has 30 such branches in India.

REFERENCE -[https://en.wikipedia.org/wiki/Bajaj\\_Allianz\\_General\\_Insurance](https://en.wikipedia.org/wiki/Bajaj_Allianz_General_Insurance)

## **BAJAJ ALLIANZ CYBER – INSURANCE**

The Bajaj Allianz, see such new-age chance components and their effect. Their individual cyber safe protection strategy guarantees that we get ideal insurance against potential cyber dangers and dangers.

With an expansion in web entrance, web based life and advanced keeping money exchanges, we are unwittingly presented to different cyber-attacks. These can extend from abuse of your budgetary data to information burglary, cyber stalking and so forth.

### **COVERED UNDER CYBER INSURANCE POLICY**

**IDENTIFY THEFT-** Any deceitful and unapproved access to utilization, erasure or adjustment of your own information put away in your PC framework including your advanced gadgets.

**SOCIAL MEDIA LIABILITY-** Defense and prosecution costs against identity theft occurring on your legitimate Social Media account as a result of a cyber-attack.

**CYBER STALKING-** Repeated use of digital communications to harass or frighten you.

**MALWARE ATTACKS-** Computer program received through SMS, File transfer, downloaded programs from internet or any other digital means by your computer system including your digital devices maliciously designed to infiltrate and damage it without your consent.

**REFERENCE-**<https://www.bajajallianz.com/Corp/liability-insurance/individual-cyber-safe-insurance.jsp>

**IT THEFT LOSS-** Funds wrongfully or erroneously paid by you as a direct result of Third Party's unauthorized targeted cyber intrusion into your computer system.

**PHISHING-** Any attempt to obtain your sensitive information such as usernames, passwords, and credit card details (and sometimes, indirectly, money), often for malicious reasons, by masquerading as a trustworthy entity through an electronic communication.

**MEDIA LIABILITY CLAIMS** - Any obligation emerging out of unintended distribution or broadcasting of any computerized substance coming about out of a Cyber Attack on your Computer System including your advanced gadgets.

**CYBER EXTORTION** - A danger to cause a Privacy Breach, Data Breach or Cyber Attack.

## **COVERAGE OFFERED**

- Resistance costs because of any case by influenced party
- Indictment costs against a Third gathering for fraud.
- Expenses of transportation to court and photocopying of archives.
- Cyber extortion loss that the guaranteed causes because of an aftereffect of Cyber Extortion Threat
- Indictment costs against a Third party for Cyber Extortion.
- Expenses caused by the Insured for arraignment of a criminal body of evidence against an outsider for Cyber Stalking.
- Legal expenses acquired by Insured for guaranteeing harms against a Third gathering for Privacy Breach or potentially Data Breach.
- Pure Financial loss sustained by Insured by being an innocent victim by being a guiltless casualty of a demonstration of Phishing by an outsider.

- Prosecution costs against a Third gathering for phishing assault.

## **EXTRA BENEFITS OF BUYING CYBER INSURANCE POLICY**

### **ADVISING SERVICES**

Every sensible charge, expenses and costs of a licensed specialist, therapist or advocate picked by you, to take treatment for stress, tension or such comparable medicinal conditions coming about because of any of the abovementioned.

### **IT CONSULTANT SERVICES COVER**

IT Consultant costs brought about by you with the end goal to demonstrate the sum and the degree of a secured misfortune.

## **REJECTIONS IN CYBER LIABILITY INSURANCE POLICY**

- Dishonest and inappropriate direct
- Substantial Injury/Property harm
- Spontaneous Communication
- Unapproved Collection of information
- Corrupt/Obscene Services

REFERENCE -<https://www.bajajallianz.com/Corp/liability-insurance/individual-cyber-safe-insurance.jsp>

## PREMIUM OF CYBER INSURANCE BAJAJ ALLIANZ

As given in above chart BAJAJ ALLIANZ have 10 Plans for Cyber protection and

### ■ Plans Available under the Policy:

Insuring Clauses	Plan 1	Plan 2	Plan 3	Plan 4	Plan 5	Plan 6	Plan 7	Plan 8	Plan 9	Plan 10	Sub- Limits applicable to all plans
	Limit of Indemnity										
	1 Lac	3 Lac	5 lac	10 Lac	15 Lac	20 Lac	25 Lac	50 Lac	75 Lac	100 Lac	% of Limit of Liability of Plan Opted
Identity Theft Cover	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	10%
Social Media Cover	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	10%
Cyber Stalking Cover	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	10%
IT Theft Loss Cover	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	25%
Malware Cover	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	10%
Phishing Cover	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	25%
E-mail Spoofing Cover	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	15%
Media Liability Claims Cover	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	10%
Cyber Extortion Cover	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	10%
Privacy Breach and Data Breach by Third Party	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	10%
IT Consultant Services Cover	2500	5000	7500	10000	12500	15000	17500	20000	25000	25000	
Premium*	662	1395	1823	2848	3696	4187	4545	6156	7589	8933	

beginning from inclusion of 1 Lac to 100 Lac and as cutoff differ premium additionally fluctuate to 662 Rs to 8933 Rs and the aggregate 11 no. provisos are secured under cyber protection approach and those are Identify theft cover, social media cover, Cyber stalking cover, IT theft loss cover and etc.

**REFERENCE** -<https://www.bajajallianz.com/Corp/liability-insurance/individual-cyber-safe-insurance.jsp>



## **TATA AIG**

Tata AIG General Insurance Company Limited is an Indian general insurance agency and a joint endeavor between the Tata Group and American International Group (AIG). Tata Group holds a 74 percent stake in the protection adventure with AIG holding the parity of 26 percent.

Tata AIG General Insurance Company, which begun its tasks in India on 22 January 2001, gives protection to people and corporates. It offers a scope of general protection items including protection for car, home, individual mischance, travel, vitality, marine, property and setback and in addition specific money related lines. The organization's items are accessible through circulation stations like specialists, merchants, banks (through bank confirmation tie ups), and coordinate stations like telemarketing, advanced promoting, worksite and so on.



## **HISTORY**

Tata AIG General Insurance Company Limited (Tata AIG General) is a business cooperation of the Tata Group and American International Group, Inc. (AIG). Tata AIG General consolidates two noteworthy fund associations: the Tata Group's noticeable headship put in India and AIG's worldwide nearness as the world's driving global protection and monetary administrations association. This joint endeavor has begun its activities in India from 22 January 2001. The organization gives corporate and individual protection administrations.

The association offers a variety of general insurance covers which are well thoroughly considered under business and purchaser requests. The business part covers Energy, Marine, Property and specific Financial spreads. The shopper protection benefit offers an assortment of general Insurance items, for example, protection for Automobiles, individual mishap, loss, home, well-being and travel.

The organization has made the accessibility for its administrations from end to end stations of dissemination like specialists, banks (through bancassurance tie ups), representatives and direct stations like tele-advertising, web based business, site, and so forth.

The base camp is in Mumbai. The organization has given the work to in excess of 2000 qualified experts the nation over in excess of 160 areas.

Tata AIG Life Insurance was rechristened as Tata AIA Life Insurance Company following the exit of American International Group (AIG) from the Hong Kong-based safety net provider AIA Group.

## **COVERAGE UNDER CYBER INSURANCE POLICY**

- **LOSS OF PERSONAL INFORMATION**-The Insurer will pay to or in the interest of any Insured all Damages and guard Costs which emerge out of a Claim by a Data Subject against the Safeguarded in regard of a genuine or asserted Qualifying Breach of Personal Information.
- **LOSS OF CORPORATE INFORMATION**-The Insurer will pay to or for the benefit of any Insured all Damages and Defense Costs which emerge out of a Claim by a Third Party against the Guaranteed in regard of a real or claimed Qualifying Breach of Corporate Information.
- **OUTSOURCING**- The Insurer will pay to or for the benefit of any Company all Damages and Barrier Costs which emerge out of a Claim by a Third Party against an Outsourcer (where the Company has a legally binding obligation to reimburse) what's more, which emerges from any real or asserted break of obligation by the Outsourcer with respect to the handling of Personal Information as well as Corporate Information in the interest of the Company (for which the Organization is at risk).
- **SYSTEM SECURITY**- The Insurer will pay to or in the interest of any Insured all Damages and Defense Costs which emerge out of a Claim by a Third Party against the Protected which is caused by any demonstration, mistake or exclusion by the Insured bringing about the presentation of any unapproved programming, PC code or infection to Third Party Data on the Company's Computer System which is particularly intended to upset the activity of or degenerate or harm any product or information recorded on the Company's Computer
- **COST FOR PROSECUTING A CRIMINAL COST**

## **EXCLUSIONS**

**GOVERNMENT ENTITY OR PUBLIC AUTHORITY** - This Extension will not cover any Network Loss emerging out of, in view of or owing to any seizure, appropriation, nationalization, or obliteration of a Computer System by request of any administration element or open expert.

**Particular Network Interruption Conditions**-This Extension will not cover any Network Loss emerging out of, in light of or owing to any:

- Network or frameworks intrusion caused by loss of interchanges with a Third Party PC framework, bringing about the failure of the Company to speak with those frameworks.
- Legal costs or lawful costs of any sort.
- Updating, redesigning, improving or supplanting any Computer System to a level past that which existed preceding continuing Network Loss.
- Unfavorable business conditions or the expulsion of programming program mistakes or vulnerabilities.

## **PREMIUM**

The policy premiums for a Rs. 5 crore constrain extend from Rs. 5-10 lacs for assembling industry, the training segment, and for counseling, bookkeeping and comparative expert administrations. This can go up to Rs. 25 lacs for financial services, human services and telecom industry.

# CHAPTER-4

## COMPARATIVE ANALYSIS OF BAJAJ ALLIANZ, HDFC ERGO AND TATA AIG

	<b>BAJAJ ALLIANZ</b>	<b>HDFC ERGO</b>	<b>TATA AIG</b>
<b>POLICY NAME</b>	CyberSafe Insurance Policy	Cyber Security	Cyber Risk Protector
<b>ELIGIBILITY</b>	Above 18 Years ago	Only Business and company can opt	Above 18 Years ago
<b>DESIGNED FOR</b>	Designed to protect both commercial business and individual person.	Designed to protect commercial business only.	Designed to protect both commercial business and individual person.
<b>PREMIUMS</b>	662-8933 Rs.	1551-25198 Rs.	1900-32000 Rs.

## FEATURES OF THE HDFC ERGO, BAJAJ ALLIANZ, TATA AIG SCHEMES

HDFC ERGO	BAJAJ ALLIANZ	TATA AIG
<ul style="list-style-type: none"> <li>It covers both first and third party cybercrime expenses.</li> </ul>	<ul style="list-style-type: none"> <li>Defense costs as a result of any claim by an affected party.</li> </ul>	<ul style="list-style-type: none"> <li>Covers loss of personal information.</li> <li>Multimedia liability</li> </ul>
<ul style="list-style-type: none"> <li>Protect against business networks like LAN/WAN, laptop, hard disk, backups and mobile devices.</li> </ul>	<ul style="list-style-type: none"> <li>Prosecution costs against a Third party for identity theft.</li> </ul>	Network security breach
<ul style="list-style-type: none"> <li>Covers fraudulent activities done by an employee.</li> </ul>	<ul style="list-style-type: none"> <li>Financial Loss due to IT Theft</li> </ul>	<ul style="list-style-type: none"> <li>Financial data loss.</li> </ul>
<ul style="list-style-type: none"> <li>Cyber hacking and cyber-attacks are covered.</li> </ul>	<ul style="list-style-type: none"> <li>Restoration costs of the Insured's computer system due to damage caused by Malware.</li> </ul>	<ul style="list-style-type: none"> <li>Cyber extortion.</li> <li>ATM robbery.</li> <li>Lost wallet.</li> </ul>

## **FOR WHAT REASON WE SHOULD TAKE CYBER INSURANCE**

With the expanding utilization of the web, we are more presented to the danger of the cyber-attack. This protection is accessible for individual and also for organizations. In the event that we are an individual and think we have lots of online resources, you ought to take the plunge. For business it's must have protection as their online nearness growing step by step.

We should realize that cyber protection is not a replacement cyber-security. We should have a sufficient suite of security devices set up like antivirus, firewall, information encryption, two-factor confirmation, secret word arrangement and so on.

Purchasing a cyber protection gives us a significant serenity. Pick the correct approach which suits our prerequisite and we will think that its value the cash with the regularly expanding cyber-attacks.

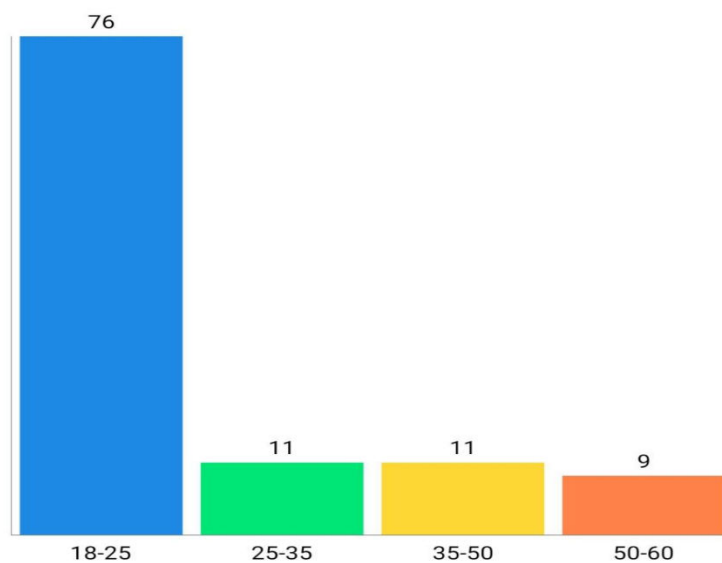
### Proposed Questionnaire: -

The questionnaire which was used in the research was made easy so that the peoples do not find it difficult to give their feedback in attached in annexure.

## DATA ANALYSIS AND INTERPRETATION

### Ques1. Age group?

Choices	%	Count
18-25	71.03 %	76
25-35	10.28 %	11
35-50	10.28 %	11
50-60	8.41 %	9

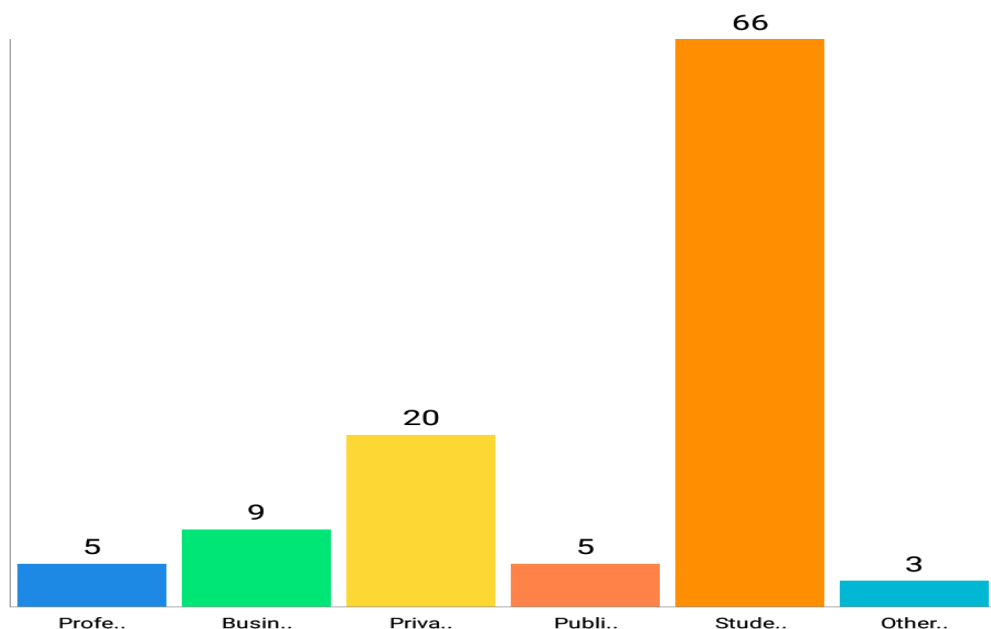


According to the interpretation, out of 107 respondent 76 respondents age where between 18-25 and 11-11 respondents where age of 25-30 and 35-50 and 9 respondents where age of 50-60.



## Ques2. What is your occupation?

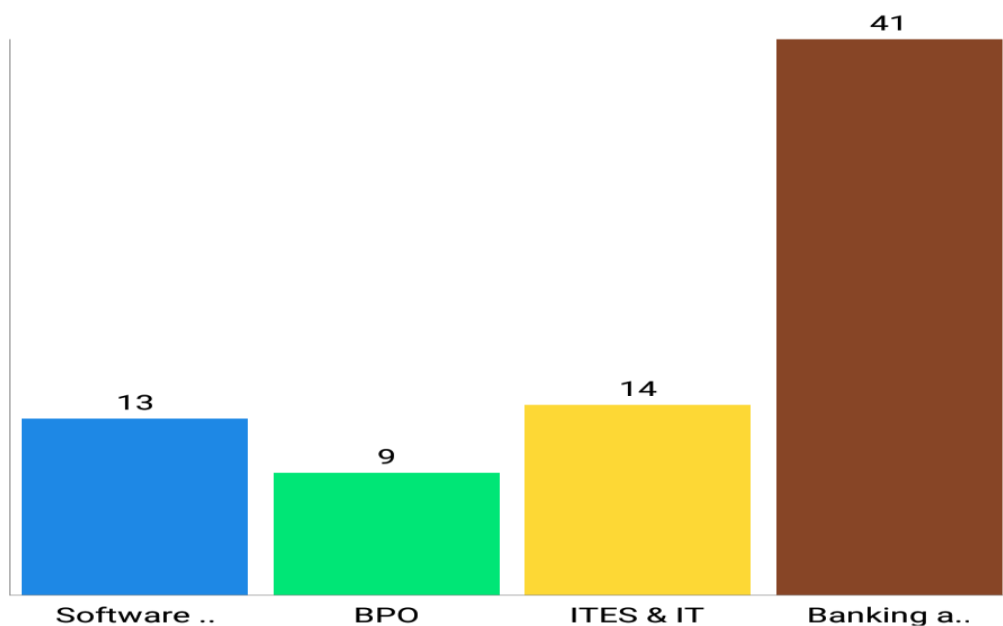
Choices	%	Count
Professional	4.67 %	5
Businessman	8.41 %	9
Private Sector	18.69 %	20
Public Sector	4.67 %	5
Student	61.68 %	66
Others	2.80 %	3



According to the interpretation, out of 107 respondent 66 respondents where student and working too side by side and 5 respondents where from public service(Defence) background and 20 respondents where from private sector and 9 where from their own business profile in different sector and 5 where professional's and 3 of them were from other backgrounds .

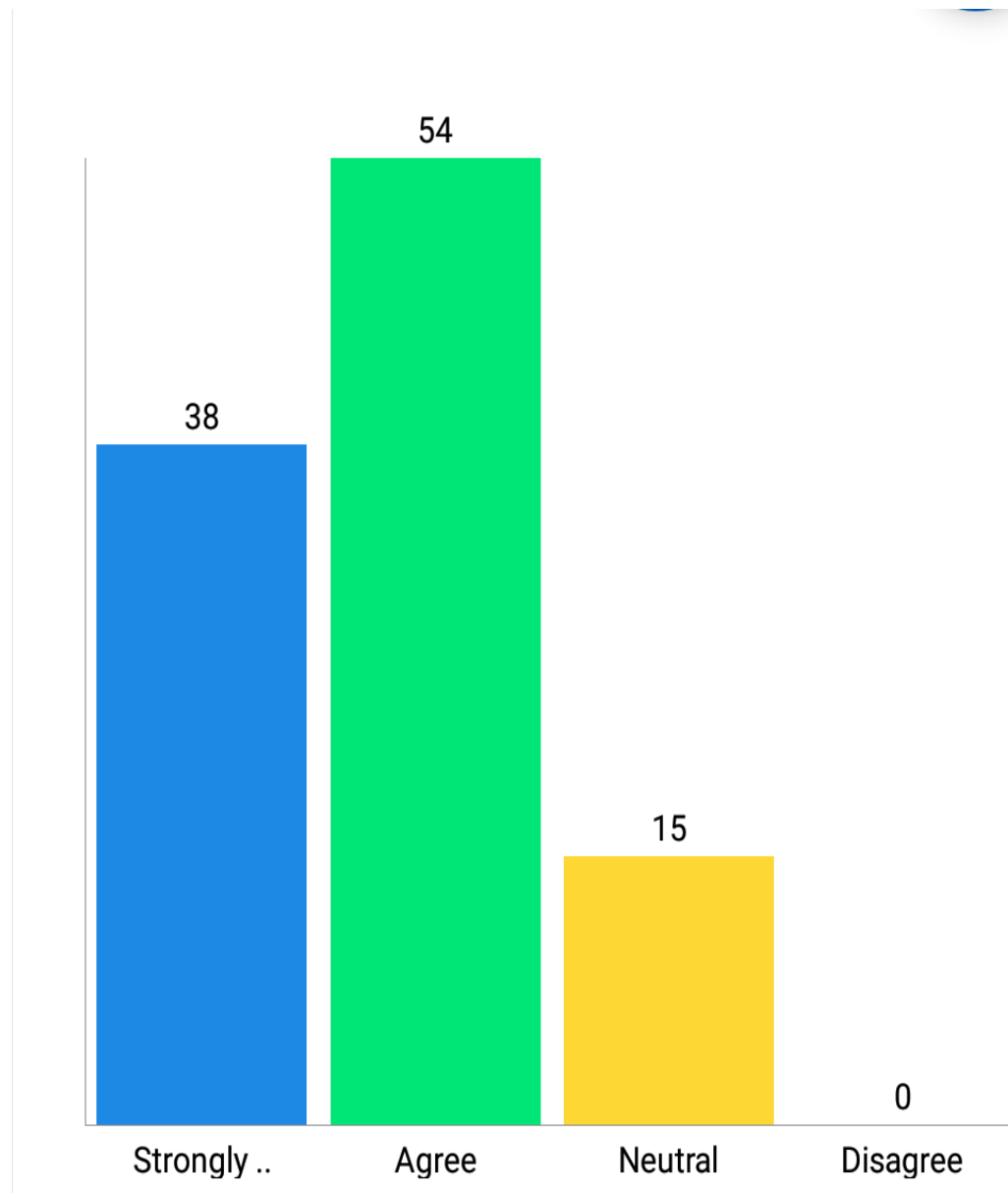
### Ques3. Area of employment?

Choices	%	Count
Software design and development	12.15 %	13
BPO	8.41 %	9
ITES & IT	13.08 %	14
Banking and Financial	38.32 %	41
Not Answered	28.04 %	30



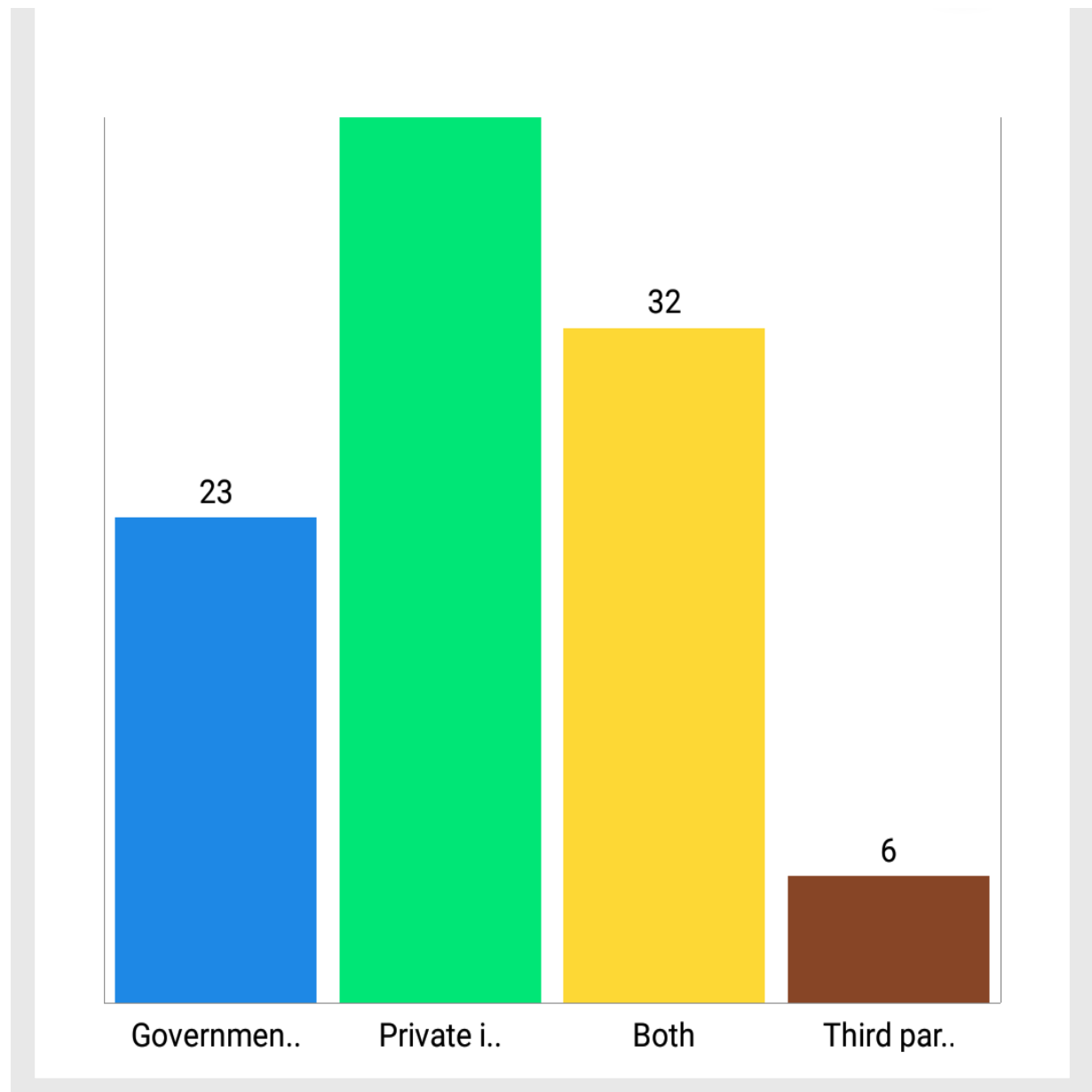
According to the interpretation, out of 107 respondent 41 respondents where from Banking Financial sectors and 14 respondents where from IT& ITES background and 9 respondents where from BPO sector and 13 where from software designing and development profile and 30 of respondents didn't answered this question.

Ques 4. One must have a suitable insurance policy in these days of uncertainty?



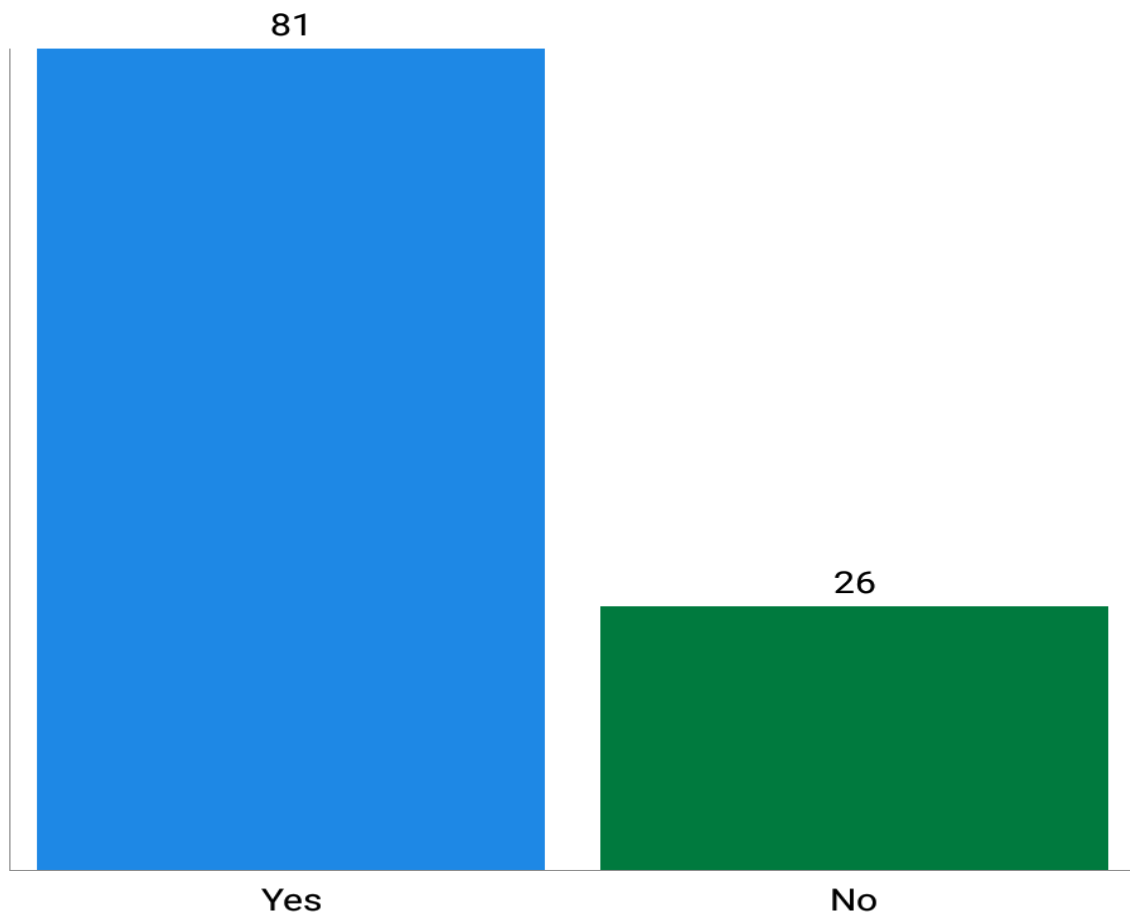
According to the interpretation, out of 107 respondent 54 respondents agree to have insurance in these days of uncertainty and 38 of respondents strongly agree to have insurance and 15 of them neutral and that's really praisable that in Pune city out of 110 respondents 0 respondent disagree for not having an insurance.

Ques 5. If yes from whom have you brought a policy?



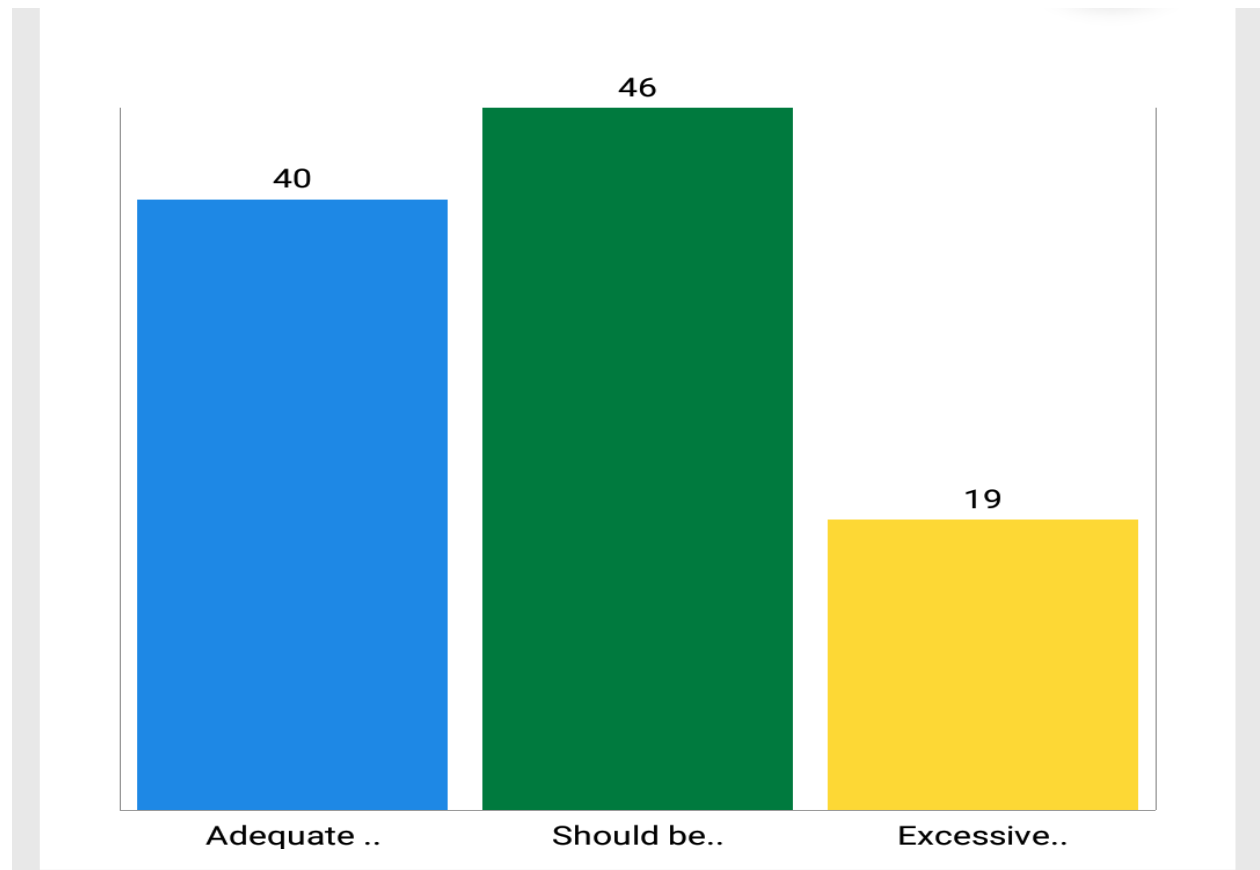
According to the interpretation, out of 107 respondent 42 respondents gets their insurance policy from private insurance in these days of uncertainty and 23 of respondents from government insurer and 32 of them are neutral and purchase from both the insurer and 6 respondent purchase from 3<sup>rd</sup> party for time saving to compare the policies .

Ques 6. Are you aware of Information technology [IT] Act 2000?



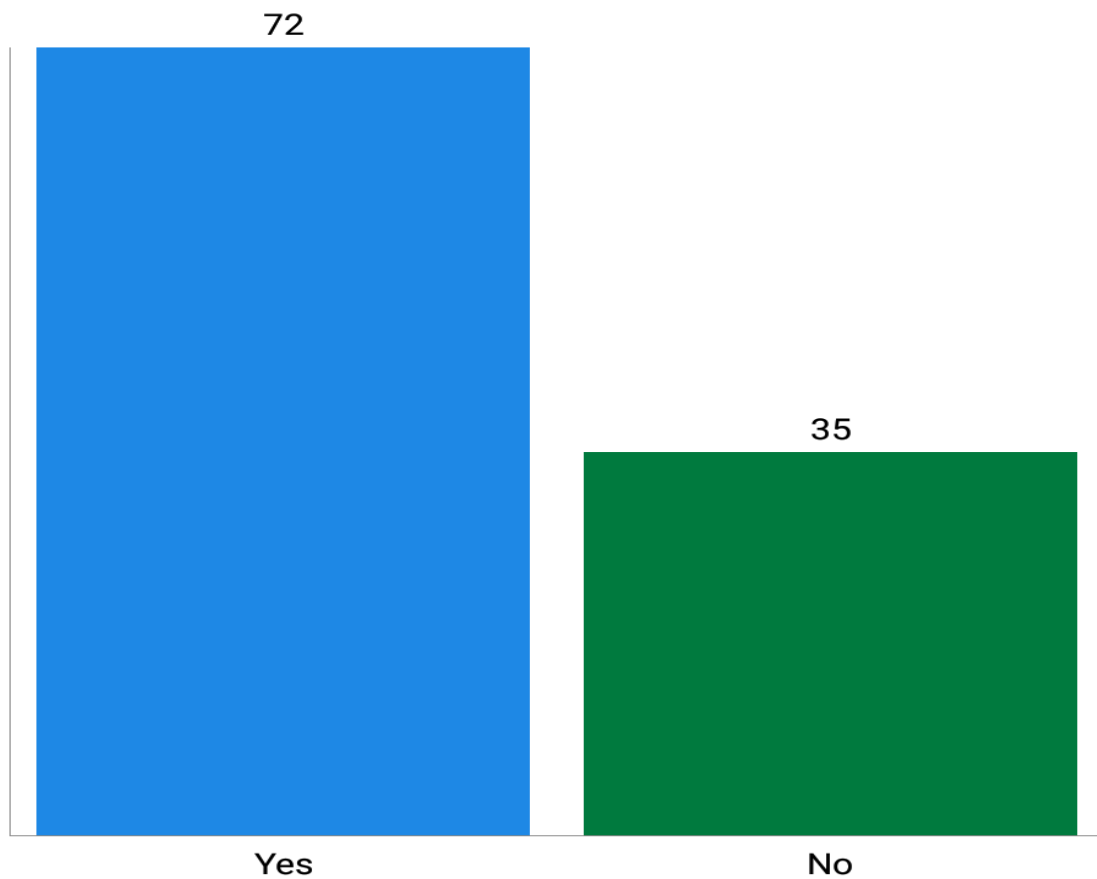
According to the interpretation, out of 107 respondent 81 respondents were aware about IT act 2000 because now days every university and in even schools they teach about IT act 2000 but out Of 110 respondents 26 respondents were not knowing about IT act 2000 after filling up this for I introduce to them that what is IT act 2000.

Ques 7. Section 43 of the IT Act provides penalty for damages to computer system etc, such as illegal access to computer system, downloading or copying data inducing virus attack on it, damaging the computer shall be liable to pay compensation up to Rs 1 crore. Do think that this is



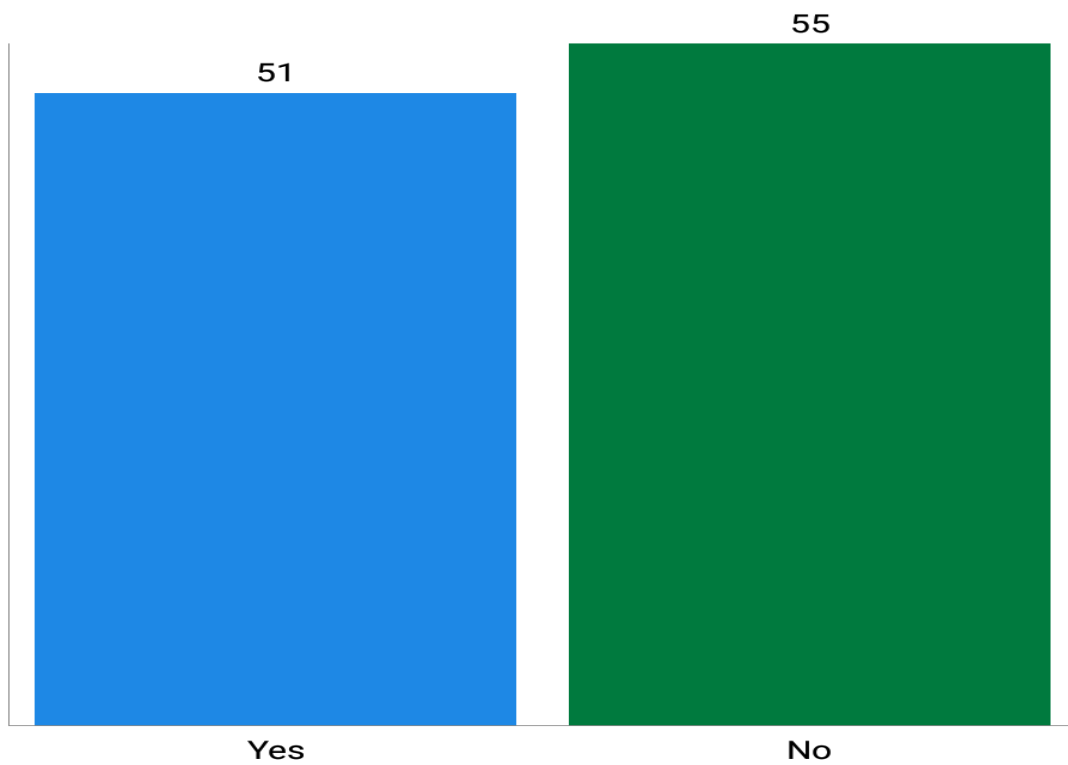
According to the interpretation, out of 107 respondent 40 respondents were like it is Adequate & Substantial and 46 of respondent are like should be enhanced and 19 respondents where like it is excessive it should be reduced and I personally asked them that why it should be enhanced so they were like the penalty should be decided by loss which is incurred and those respondents where from IT & ITES sector only and 2 of respondent didn't answered this question and they didn't specified reason too.

Ques 8.Do you ever heard about cyber insurance?



According to the interpretation, out of 107 respondent 72 respondents were aware about cyber insurance because now days government only promoting the cyber insurance because of increase in online thefts and frauds but out Of 110 respondents 35 respondents were not knowing about cyber insurance after filling up this form I introduce to them that what is cyber insurance and how it differ from cyber security.

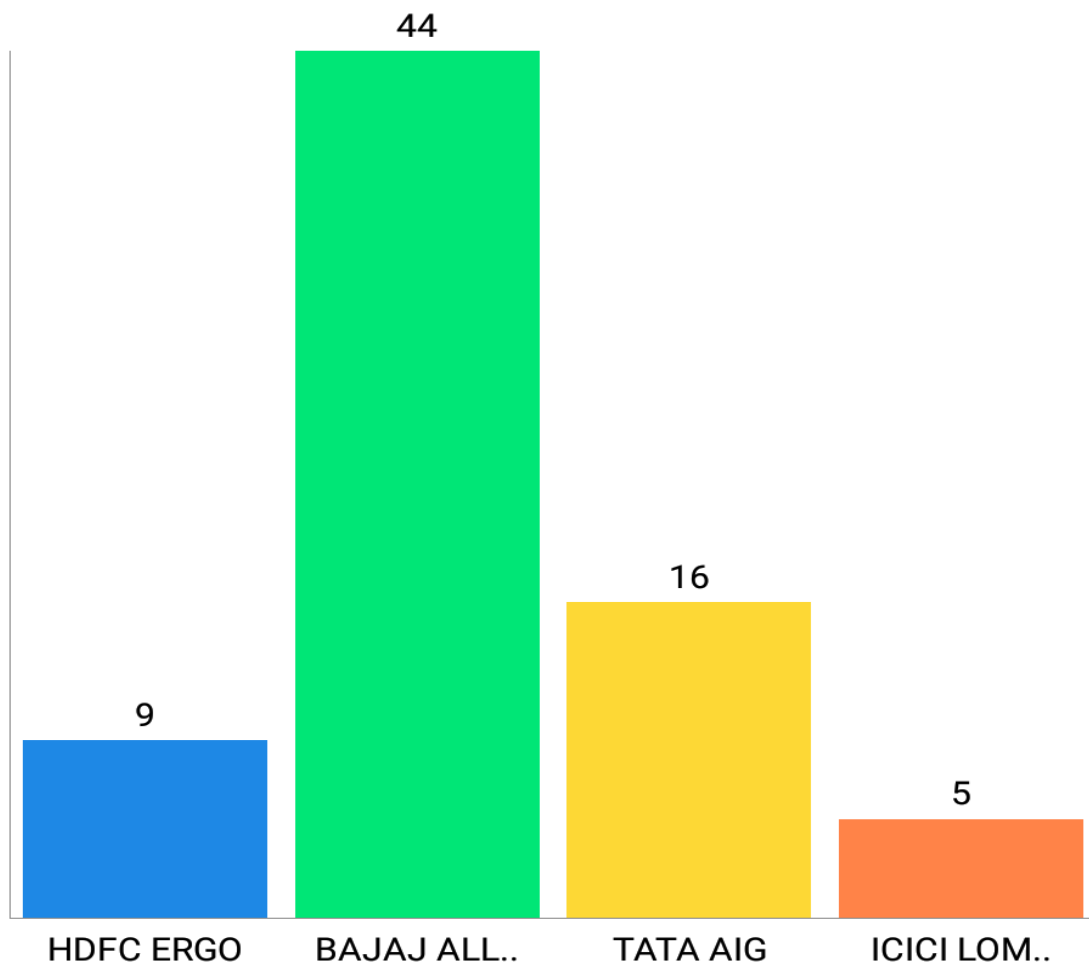
Ques 9.Have you ever opted for cyber insurance?



According to the interpretation, out of 107 respondent 51 respondents and their families had opted for cyber insurance because of increase in online thefts and frauds but out Of 110 respondents 55 respondents had never opted for cyber insurance.

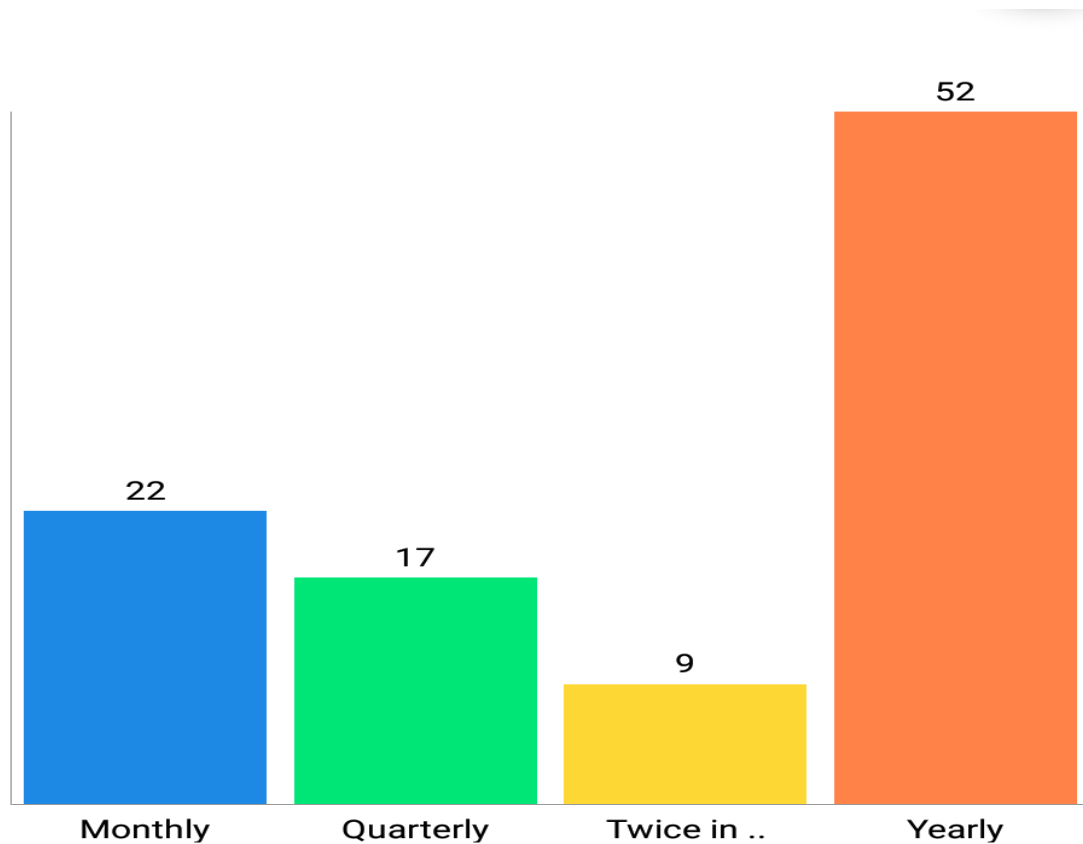


Ques 10.If yes, According to you which company is best company or from which company you opted for cyber insurance?



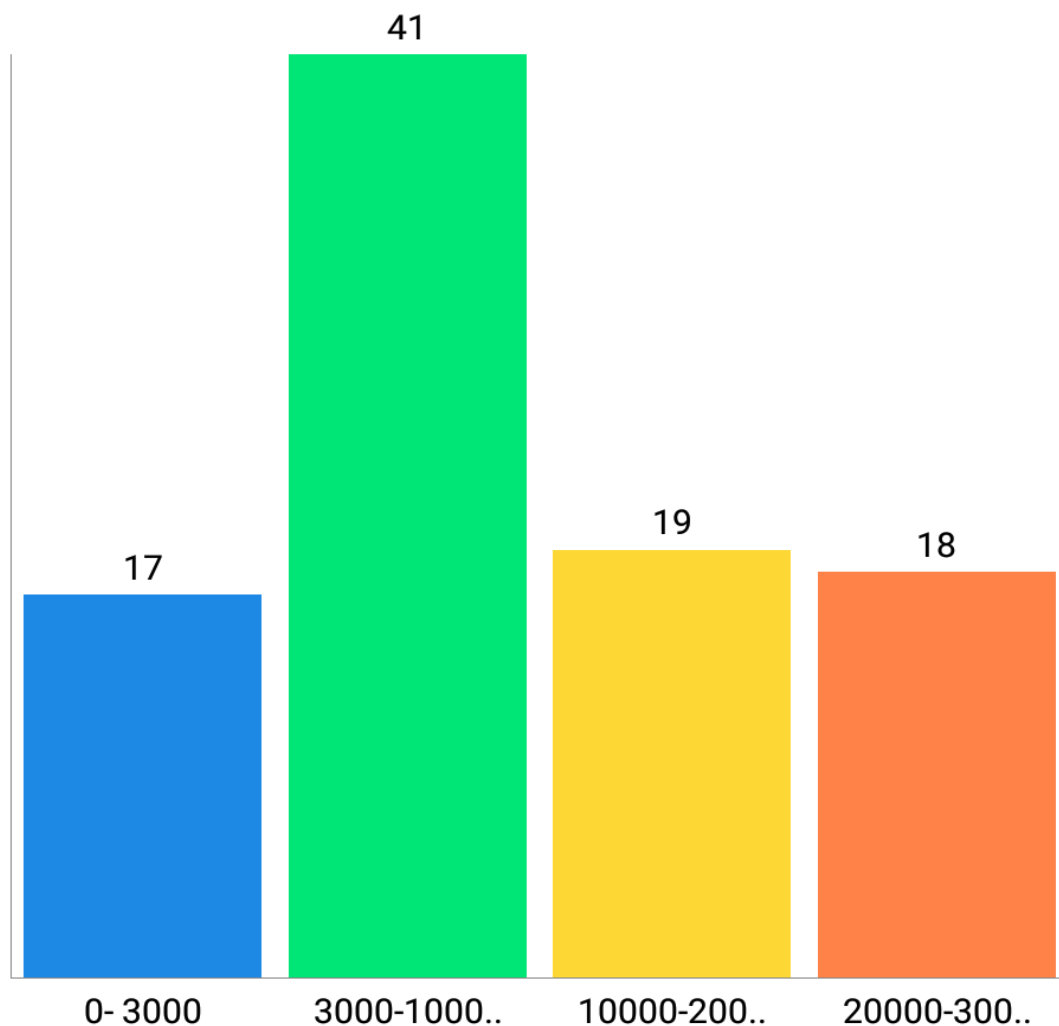
According to the interpretation, out of 107 respondent 33 respondents didn't answered because they were not knowing about the cyber insurance and few of them where knowing about the cyber insurance company providers so they gave their feedback by selecting options and 44 respondents opted for Bajaj Allianz as best cyber insurance provider in India and 16 respondents chosen TATA AIG as insurance provider and 9 opted for HDFC ERGO which is new company in field of cyber insurance and 5 of them opted for ICICI Lombard and that was one company for which I was not aware so much that how they provide cyber insurance under what criteria.

Ques 11. What is periodicity of insurance premium?



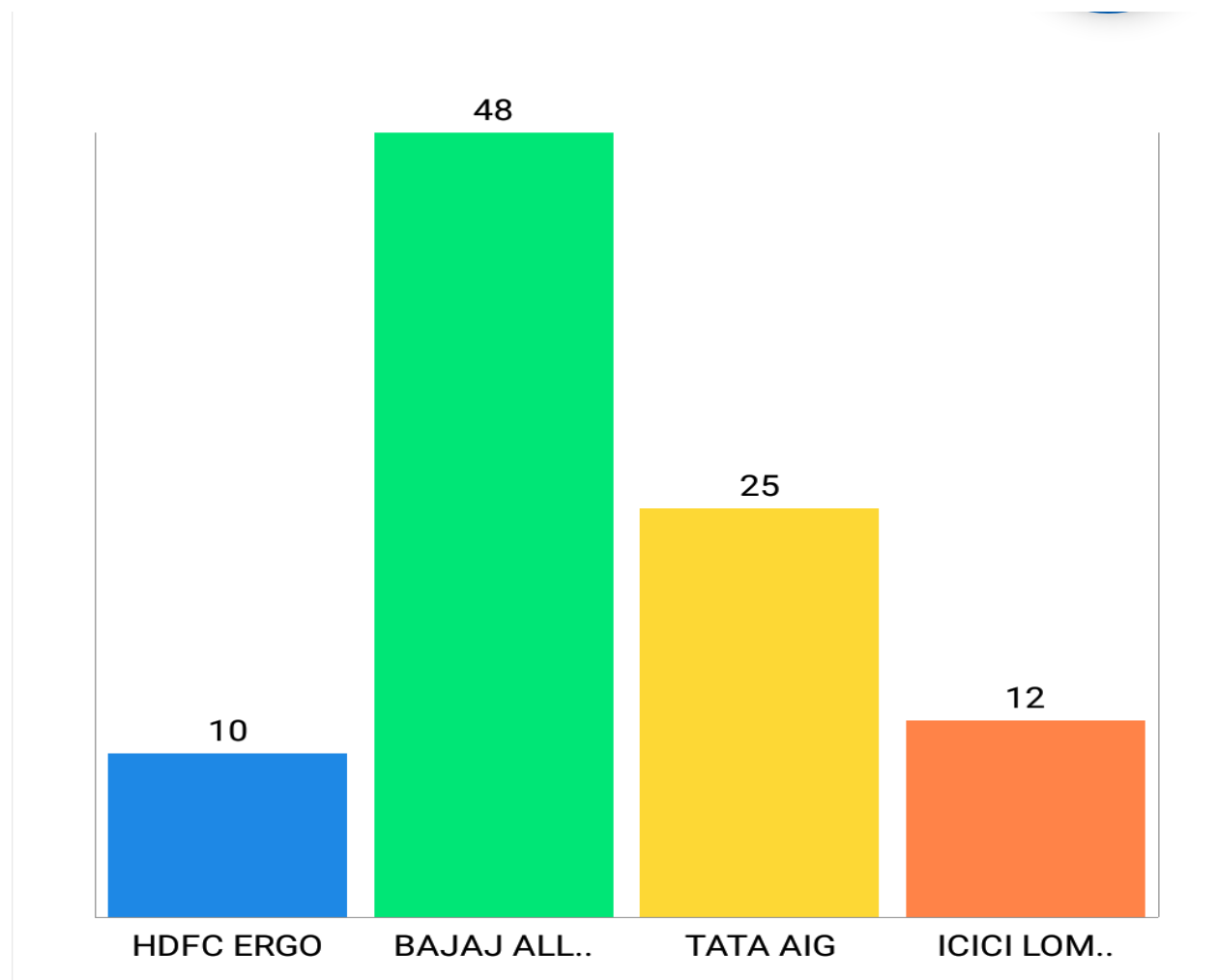
According to the interpretation, out of 107 respondent 07 respondents didn't answered because they were not knowing and 52 respondents are like the premium of cyber insurance is yearly and 22 respondents are those mainly use as an individual user and 17 respondents where like premium is paid quarterly and 9 of them where like twice in a year.

Ques12. How much premium do you pay annually?



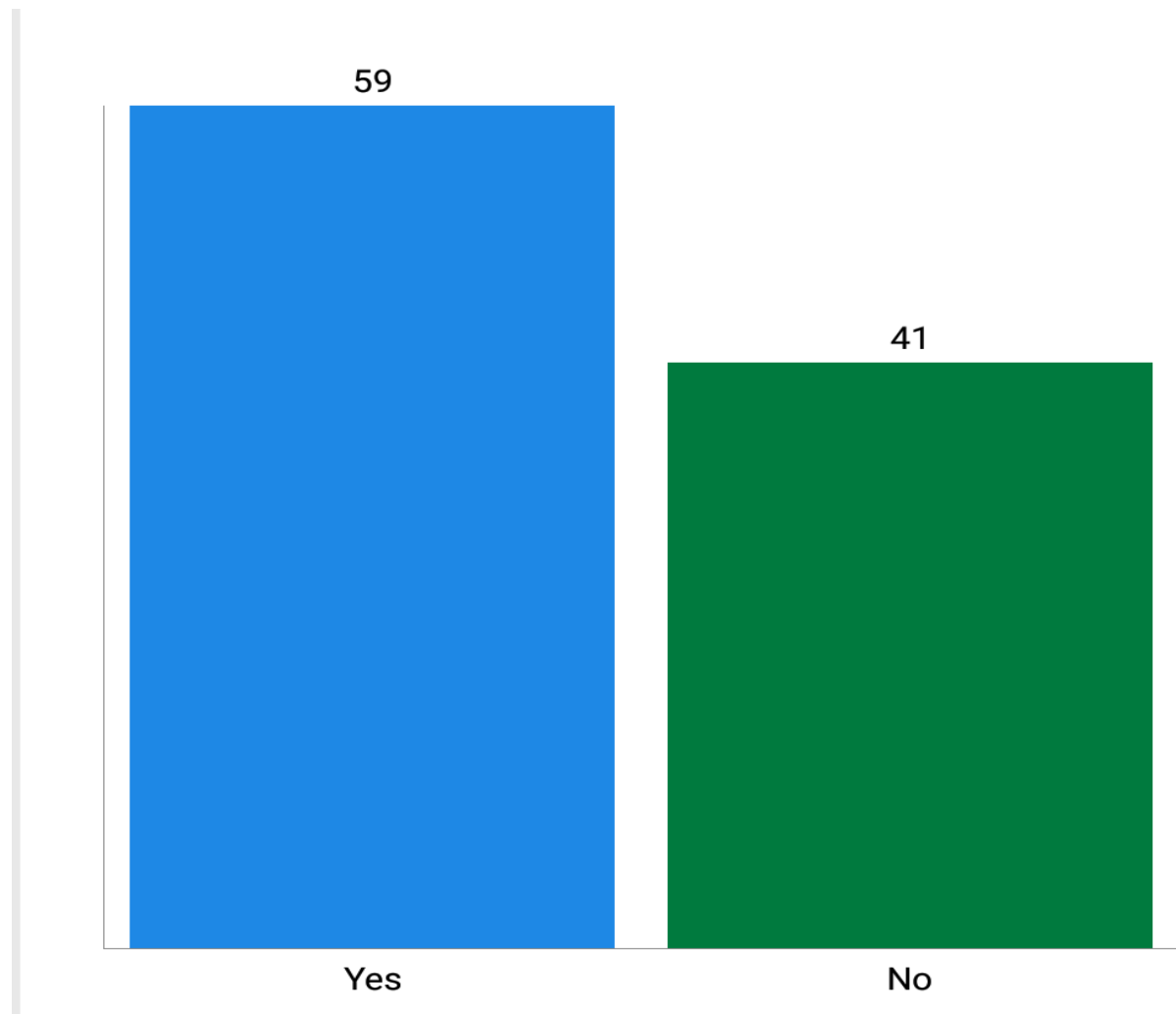
According to the interpretation, out of 107 respondent 12 respondents didn't answered because they were not knowing and 41 respondents are like it is between 3000-10000Rs. And 19 respondents where like the premium is usually between 10000-20000Rs and 18 respondents where like it is between 20000-30000Rs and these respondents who pay above 10000Rupees are mainly who opted for yearly insurance. And 17 of them like the premium which in cyber insurance monthly and quarterly that is 0-3000Rs.

Ques13. According to you which company have maximum claim settlement ratio?



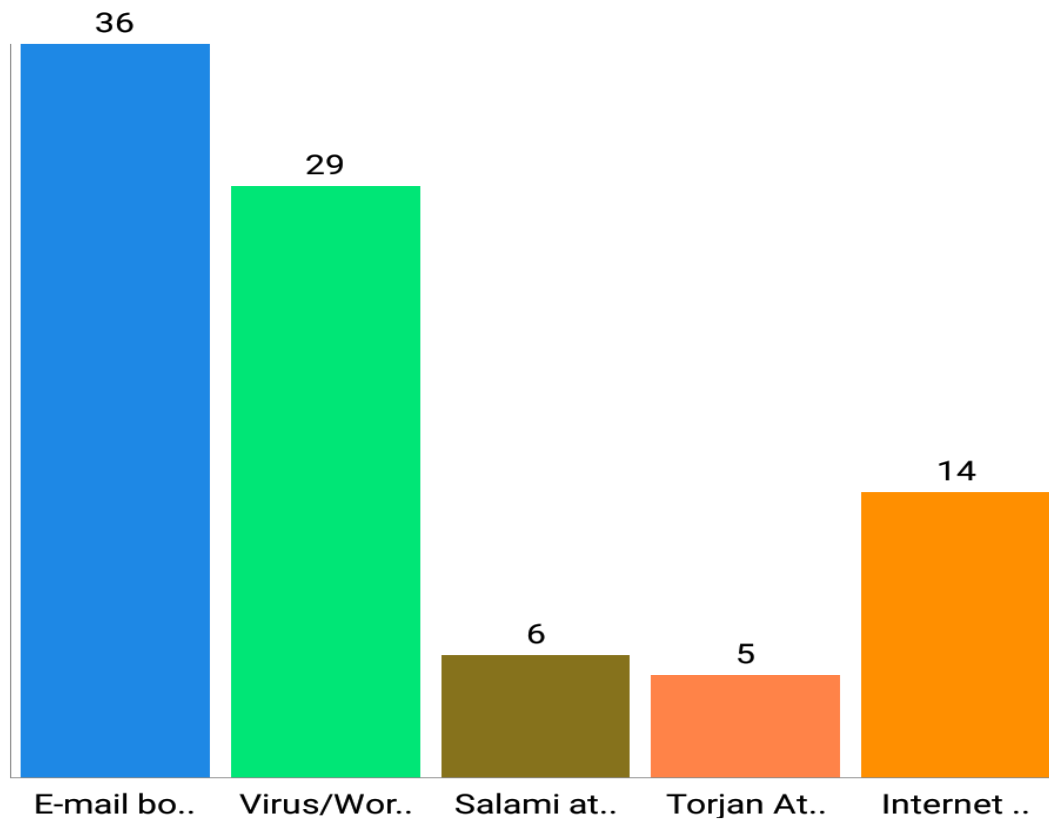
According to the interpretation, out of 107 respondent 12 respondents didn't answered because they were not knowing about the companies claim settlement ratio and few of them where knowing about the companies claim settlement ratio so they gave their feedback by selecting options and 48 respondents opted for Bajaj Allianz as best cyber insurance claim settlement ration in India and 25 respondents chosen TATA AIG as 2<sup>nd</sup> in claim settlement ratio and 10 opted for HDFC ERGO which is new company in field of cyber insurance and 12 of respondents opted for ICICI Lombard and that was one company for which I was not aware so much that how they provide cyber insurance under what criteria.

Ques14. Have come across any cyber-crime during occupation?



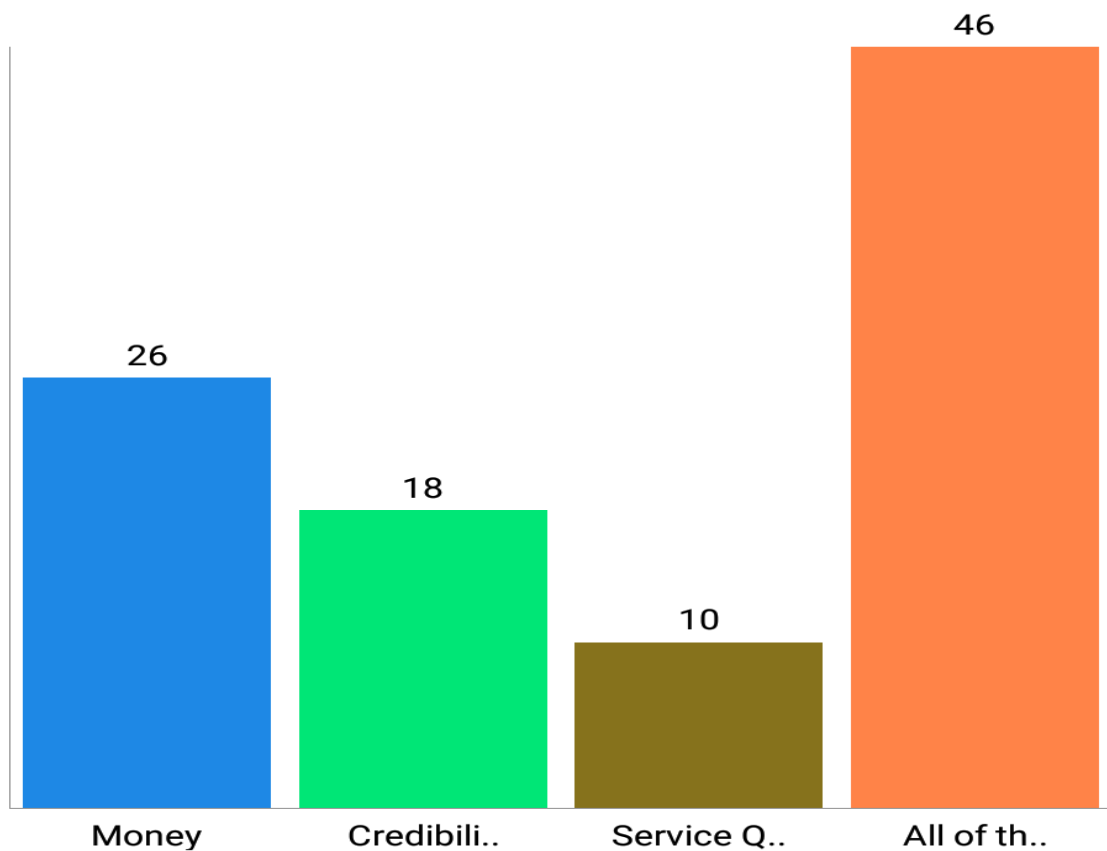
According to the interpretation, out of 107 respondent 59 respondents and their families had gone through online thefts and frauds but out Of 107 respondents 41 respondents had never faced any cyber-crime that's really good and I don't know what was reason but 7 respondents refuse to answer this question.

Ques15. Which of these cyber-crime that are mostly frequently encountered by you?



According to the interpretation, out of 107 respondent 36 respondents and their families had gone through Email bombing and 29 of respondents had gone through virus and worms attack and 6 of them had faced salami attack in their companies and 5 of them had affected by torjan attack it's a type of virus and 14 of respondents and their family had faced internet thefts and 17 respondents didn't answered because they never get attacked and that's really good.

Ques16. Which is most common loss due to cyber-crime?



According to the interpretation, out of 107 respondent 26 respondents are like the most common loss is money in cyber-crime and 18 of respondents are like credibility and reputation is most common loss and 10 of them service quality is affected as per the respondents experience in companies and 46 respondents are those who think everything is affected while cyber-attack.

So, here is the data interpretation of research work which is conducted in different areas of Pune, Maharashtra, India and the time period within research is conducted that is 25<sup>th</sup> January 2019 to 5<sup>th</sup> March 2019 and by this data I concluded that yet in Pune people are not totally aware about cyber insurance and their policies and the difference between cyber security and cyber insurance .So my suggestion after this data that government or company should provide awareness program about cyber insurance.

# CHAPTER-5



## **CONCLUSION**

Research has presented the analysis of actual cyber insurance awareness in Pune, Maharashtra. I had collected 107 filled form and separately examined and while examined and taking responses from respondents I get to know that there is around 50 % of respondents who were not aware about IT act 2000 or Cyber insurance and few of respondents where from IT & ITES sector then to they were not aware about cyber insurance policies .

And the second important thing I conclude by research is that few people know about cyber security but not cyber insurance as cyber word comes in brain they interrelate with companies like – Quick heal, Syska and etc. So for that particular the awareness program should be started in cities like in Pune and all over India because yet India is at very back stage in cyber security and insurance yet.

And as per my research objective I want to know the one of the best cyber – insurance provider company in Pune and after analysing the data which I got to know the BAJAJ Allianz is one of the best cyber insurance provider company in Pune because of the lowest premium compare to HDFC ERGO and TATA AIG as compared in previous pages.

And while examining the data and interacting the respondents BAJAJ ALLIANZ has been one of the best cyber insurance provider because of the one of the trusted brand in Pune and one of the oldest companies in INDIA in field of cyber insurance.

And after analysing my last two question of questionnaire I concluded that it is really necessary to have a cyber-insurance in the world of uncertainty because out of 107 respondents of mine 100 respondents had already faced cyber-attacks in different ways example-: Virus worm's attack, Torjan attacks, Emails bombing and etc.

## **SUGGESTION & RECOMMENDATION**

- The study says that BAJAJ Allianz is preferable company in cyber insurance as compared to TATA AIG and HDFC ERGO.
- The study says that BAJAJ ALLIANZ has maximum settlement ratio compared to HDFC ERGO and TATA AIG.
- According to study 50-60% peoples are not aware about IT act and 35-40% peoples are not aware about cyber insurance. So, there should be proper awareness program can be launched by govt. and insurance companies .
- The premium which is charged by HDFC ERGO and TATA AIG is high as compared to BAJAJ ALLIANZ so people should prefer BAJAJ ALLIANZ insurance policy due to low premium and best claim settlement ratio.
- HDFC ERGO must introduce some new cyber insurance policy for an individual person because there is lot of cyber issues is faced by an individual daily life.
- The study says that as there is increasing of cyber thefts and cyber-crime day-by-day. So, there should be proper and regular drill and awareness program can be done by an organisation like – Regularly changes of passwords, training of employees in cyber-security principles and etc.

# **ANNEXURE**

## **Ajeenkya D Y Patil University**

**(For Educational Purpose Only)**

**“A Study on Cyber Insurance and Consumer Preference in Pune”**

### **QUESTIONNAIRE**

**1. Age group?**

☐18-25    ☐25-35    ☐35-50    ☐50-60

**2. What is your occupation?**

☐Professional    ☐Businessman    ☐Private Sector    ☐Public Sector    ☐Students    ☐Others

**3. Area of employment?**

☐Software Design and Development    ☐BPO    ☐IT & ITES    ☐BANKING & FINANCIALS    ☐Others

**4. One must have a suitable insurance policy in these days of uncertainty?**

☐Strongly Agree    ☐Agree    ☐Neutral    ☐Disagree

**5. If yes from whom have you brought a policy?**

☐Government    ☐Private insurer    ☐Both    ☐Third Party

**6. Are you aware of Information technology [IT] Act 2000?**

☐Yes    ☐No

**7. Section 43 of the IT Act provides penalty for damages to computer system etc, such as illegal access to computer system, downloading or copying data inducing virus attack on it, damaging the computer shall be liable to pay compensation up to Rs 1 crore. Do think that this is?**

☐Adequate & Substantial    ☐Should be enhanced  
☐Excessive and should be reduced

**8. Do you ever heard about cyber insurance?**

- ☐Yes                      ☐No

**9. Have you ever opted for cyber insurance??**

- ☐Yes                      ☐No

**10. If yes, According to you which company is best company or from which company you opted for cyber insurance?**

- ☐HDFC ERGO    ☐BAJAJ ALLIANZ    ☐TATA AIG    ☐ICICI LOMBARD

**11. What is periodicity of insurance premium?**

- ☐Monthly                      ☐Quarterly                      ☐Twice in a Year                      ☐Yearly

**12. How much premium do you pay annually?**

- ☐0- 3000  
☐3000-10000  
☐10000-20000  
☐20000-30000

**13. According to you which company have maximum claim settlement ratio?**

- ☐HDFC ERGO  
☐BAJAJ ALLIANZ  
☐TATA AIG  
☐ICICI LOMBARD

**14. Have come across any cybercrime during occupation?**

- ☐Yes                      ☐No

**15. Which of these cyber-crime that are mostly frequently encountered by you?**

- ☐E-mail bombing  
☐Virus/Worm Attack  
☐Salami attacks  
☐Trojans Attacks  
☐Internet time thefts  
☐Other:

**16. Which is most common loss due to cyber-crime?**

- ☐Money    ☐Credibility and reputation    ☐Service Quality    ☐All of the above

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