ICICI Lombard

CORPORATE INDIA RISK INDEX

2024

Intelligence partner FROST & SULLIVAN

Navigating Risks, Powering India's Growth

SECTOR REPORT 2024

BFSI

Table of Contents

Preface

Corporate India Risk Index is primarily an academic exercise to understand the level of risk that companies are facing and also assist in developing a successful risk aversion plan, CIRI is a first-of-its-kind risk measurement tool to gauge the level of a company's risk exposure and preparedness.

This Corporate risk comprises of various aspects of the business–spanning customer, competition, regulatory environment, business operations, technology finances, environmental factors etc. The impact of unprecedented events is significantly higher now.

This Index is a comprehensive framework that draws upon global risk management best practices and comprises of 32 risk elements across 6 broad dimensions. The Risk Index is based on the principles of Lean and Six Sigma that qualify business processes by measuring effectiveness and efficiency.

ICICI Lombard's Corporate India Risk Index provides a crucial tool for assessing and addressing risks, fostering resilience and adaptability in the ever-evolving global landscape. In the current climate of increasing macroeconomic uncertainties, it is essential for corporates to prioritize robust risk management. We believe that a proactive approach to risk management not only fortifies individual businesses but also contributes significantly to India's overall economic growth and stability.

Executive Summary

In 2024, India's Banking, Financial Services, and Insurance (BFSI) sector navigated a complex environment marked by macroeconomic uncertainties, rising interest rates, and global economic pressures. Geopolitical tensions and inflation impacted credit demand, while regulatory changes and tighter monetary policies posed liquidity management challenges for banks. The sector also faced heightened cybersecurity risks as digital banking and AI integration grew, prompting concerns over data privacy and regulatory compliance.

In response, BFSI companies strengthened their financial resilience by enhancing asset quality and provisioning for non-performing assets (NPAs). They leveraged technological advancements like AI, blockchain, and cloud computing to improve risk assessment, automate operations, and strengthen customer experiences. Banks also fortified cybersecurity frameworks, implementing AI-driven fraud detection systems and consumer education on digital security. Additionally, insurers embraced digital tools and new models like parametric insurance and microinsurance, expanding reach and addressing affordability. The sector's ongoing focus on digital transformation and regulatory compliance positioned it for sustainable growth despite the challenges faced in 2024.

Introduction

ICICI Lombard Corporate India Risk Index is a one of its kind, unified, credible, standardized corporate Risk Index that spans over the country level, the industry level, and the company level. The index has a comprehensive sector coverage.

Aerospace and Defence, Agriculture and Food Processing, Automotive and Ancillary, BFSI, Biotech & Life sciences, Chemicals and Petrochemicals, Education Skill Development, Energy, FMCG, Healthcare Delivery, Infra and Realty, IT/ITES, Manufacturing, Media and Gaming, Metals and Mining, New Age & Startup, Pharmaceuticals, Telecom and Communication Technology, Tourism and Hospitality, Transportation and Logistics.

The impact is identified across key business risk (internal and external) under the following ‘Strategic Risk Areas’, The ICICI Lombard Corporate India Risk Index Framework comprises of 32 risk elements across 6 broad dimensions.

Market and Economic Risk

Corporate Risks arising due to market and economy related factors, such as internal or external political uncertainty, global slowdown, taxation-regulatory changes etc. Market and economy related risks are also identified as ‘Systematic Risks’, we have further classified the risks into below mentioned categories.

- **Inflation**: Inflation is the general increase in prices within the economy. The rising prices for businesses could result in bigger production spending and a fall in profitability. The companies should be attentive, acute, and responsive to changes in inflation to efficiently manage the prices of final products.
- **Taxation**: In a large democracy like India, complexity of multiple taxes (multiple taxes like GST, custom duties, central excise duty, etc.) is a major concern. The changing legislations, increased scrutiny by tax authorities and increasing public attention are together resulting in tax risks for organizations. There is, thus an increasing urgency for firms to manage their tax affairs efficiently to minimize tax risks.

- **Regulatory Risks**: Regulatory risk is the risk of changes in regulations and laws that might affect an industry or businesses. The regulatory changes can pertain to tariffs and trade policies, business laws pertaining to employment, minimum wage laws, financial regulation, Foreign Direct Investment etc.
- **Foreign Exchange Risk**: The exchange rate plays an important role for firms who export goods and import raw materials. The fluctuations in foreign exchange will have great impacts on the prices of traded goods. For example, if the currency depreciates (devaluation), the exporting firms will benefit. However, the firms importing raw materials will face higher costs on imports. The firms need to hedge their exposure to foreign exchange risks to insulate themselves from the impact from forex changes.
- **Geo-political Tension**: Geopolitical risk means the political and economic risks that are a potential threat to the financial and operational stability of companies.
- **Competitive risk**: Competitive risk is the risk associated with the fact that there are multiple companies competing in the market, each seeking to obtain the highest position and consumer ratings, to gain maximum benefits for themselves. The companies devise different strategies to garner a higher market share and acquire customers from competitors. Any failure in managing the competitive stand could lead to losses in business, thereby making marketing and competition a major risk in market.

Technology Risk

Technology risks are also identified as information technology related risks which may arise due to failure of any installed hardware or software system, spam, viruses or any malicious attack. Also delay/over/under adoption of trending disruptive technologies can lead to technology related risks. We have classified the risks in below mentioned categories.

- **Innovation Risk / Obsolete Technology**: Innovation is the key to success in all the industries. Risk of redundancy and losing out to competition on account of poor R&D is a major concern.
- **Intellectual Property risk:** Dependence on trade secrets and unpatented proprietary know-how.
- **Disruptive Technologies:** These will fundamentally alter the financial prospects of the industry.
- **Data Compromise:** Hardware failure refers to malfunctions within the electronic circuits or electromechanical components (disks, tapes) of a computer system; Software failure refers to an operating system crash. Such failures lead to stoppage of entire computer or operating systems creating substantial losses to business.

Operational and Physical Risk

Risk of losses caused due to faulty or failed processes, systems or human resource related inefficiencies are classified as operational and physical risks. We have classified Operational & Physical risks in below mentioned categories.

- **Critical Infrastructure Failure / Machine Breakdown:** Industries with a heavy dependence on machinery consider any rise in machinery breakdowns a hindrance to their businesses operations. An untimely equipment breakdown can bring businesses to a standstill or be the root cause for fires and explosions. Mostly, human errors and deferred maintenances are the major reasons for such breakdowns. The companies should actively invest in timely maintenance of all machineries.
- **Business Continuity / Sustainability:** Non adoption of Business Continuity/ Sustainability Plans and Lack of Internal Control tools would result in: Failure of businesses, Brand Equity / Loss of reputation, Financial Loss, Business model Failure, Ineffective engagement/communication with stakeholders, Losses in productivity, Lack of opportunity monitoring.
- **Supply chain risk:** Raw Material unavailability and Heavy Dependence on Global Supply Chains / Supplier concentration risk. Unavailability of raw materials owing to disruption in the supply chain or heavy dependency on one source (company/country) which is unable to supply owing to some geo- political tensions, fires, or any other incidents. Transportation is one of the key activities for companies making it an important risk to mitigate. The loss of goods in transit and spillage is one of the major concerns as it accounts for a sizeable loss of revenue to companies.
- **Commodity Price Risk - Volatility in prices of raw materials:** The fluctuations in raw material prices creating a margin pressure / top-line pressure in the scenario of rising input costs.
- **Portfolio Risk:** Loss of key customers, Customer concentration - Key customers accounting for a larger share of revenue, Over-dependence on suppliers, Business Model Risk: Transformative changes in business model, Tail Risks: Ability to overcome or manage extreme worst-case scenarios.
- **Environmental Hazard Risk:** Any environmental hazard having the potential to affect the surrounding environment.
- **Workplace Accident:** Fire and Explosion Hazards, Containment Incidents, Workplace Injuries
- **Human Resource:** Key person risk: This risk occurs when a business or business unit becomes heavily reliant on a key individual. Talent acquisition and retention - The companies require a highly skilled labor force for R&D as well as continuous production. Accessing skilled resources and expertise on an on-going basis is one of the major challenges; moreover, retention of trained staff is imperative. Labor shortages, Union Strikes & Industrial Actions, Employee

health, safety, and security (SHE/Sustainability risk).

- **Financial Risk:** Financial Reporting Risk: Material misstatement of Financial Statements, whether due to fraud or error. Interest rates and equity prices: Interest rate risk arising out of working capital borrowings at variable rates. Equity price fluctuations affect the Company's income or the value of its holdings of financial instruments. Liquidity Risk (Credit Risk / Receivables).
- **Breaches of law (local/ international):** Voluntary/ involuntary breaches of law can lead to costly lawsuits.

Crime & Security Risk

Cybersecurity risks relate to the loss of confidentiality, integrity, or availability of information, data, or information (or control) systems and reflect the potential adverse impacts to organizational operations. These attacks can cause major financial losses, reputational harm, and a loss of client trust. Regarding cybersecurity, the BFSI industry in India has several difficulties, including difficult-to-secure legacy systems, a shortage of qualified cybersecurity personnel, and the requirement for ongoing system and network monitoring. There is a significant investment in cybersecurity tools like network monitoring, endpoint security, access control, and threat intelligence. Many organizations are also implementing cutting-edge technology like artificial intelligence and machine learning to strengthen their security posture.

We have classified Crime & Security risks in below mentioned categories.

- **Cyber Crimes:** Data Theft, Spam, scams and phishing, Hacking, Malwares and Viruses, Piracy, Fraud, Corruption, Malicious attacks
- **Counterfeiting:** Counterfeiting of goods/services leads to loss of revenues, profits and ultimately affects the brand equity
- Threat to Women Security
- **Terrorism:** Un-lawful use of violence and intimidation, especially against civilians, in the pursuit of political aims.

Natural Hazard Risk

A natural hazard is the threat of an event that will likely have a negative impact. A natural disaster is the negative impact following an actual occurrence of natural hazard if it significantly harms a community. Due to India's geographical structure, it is one of the most disaster-prone countries in the world. Natural hazards like floods, earthquakes, landslides, and cyclones are common risks faced by India. The situation has worsened due to rise in GHG emissions, loss of biodiversity, deforestation, and degradation of environment. Natural disasters hamper the day-to-day operations of corporates, and it is important for them to understand that such risks cannot go unheeded. Over the years, Indian corporates have learnt to mitigate such risks by diversifying their supply chains, having multiple logistics partners, diversified geographical presence and multiple vendors.

- **Pandemic and other global epidemic diseases:** Risk to business owing to disruptions caused by global pandemic scale events like the COVID-19 pandemic

Strategic Risk

Strategic risk is the risk of undesirable outcomes of business decisions which may impact a company. Strategic risk is often a major factor in determining a company's worth, particularly observable if the company experiences a sharp decline in a short period of time. Several factors, such as unethical or unlawful activities, poor customer service, product recalls, data breaches, or unfavorable media coverage, can lead to strategic risk. An organization's reputation can be severely harmed by a single negative incident, such as a high- profile data breach or fraud scandal, resulting in a loss of clients, income, and market share.

- **Resource scarcity / Misutilization / Overall Utilization:** Difficulties in acquisition of land, water, fuel, or other resources for operations of business.
- **Public Sentiment:** Current events playing out in the public scene can change the public sentiment.
- **Delay in execution of projects:** Delays in execution of projects can surge in the capex.
- **Increased number of recalls and quality audits:** Impacts both the brand equity and increased operational expenses.
- **Failed / Hostile Mergers & Acquisitions:** High dependence on inorganic growth.

Bottom-Up Risk Assessment Approach

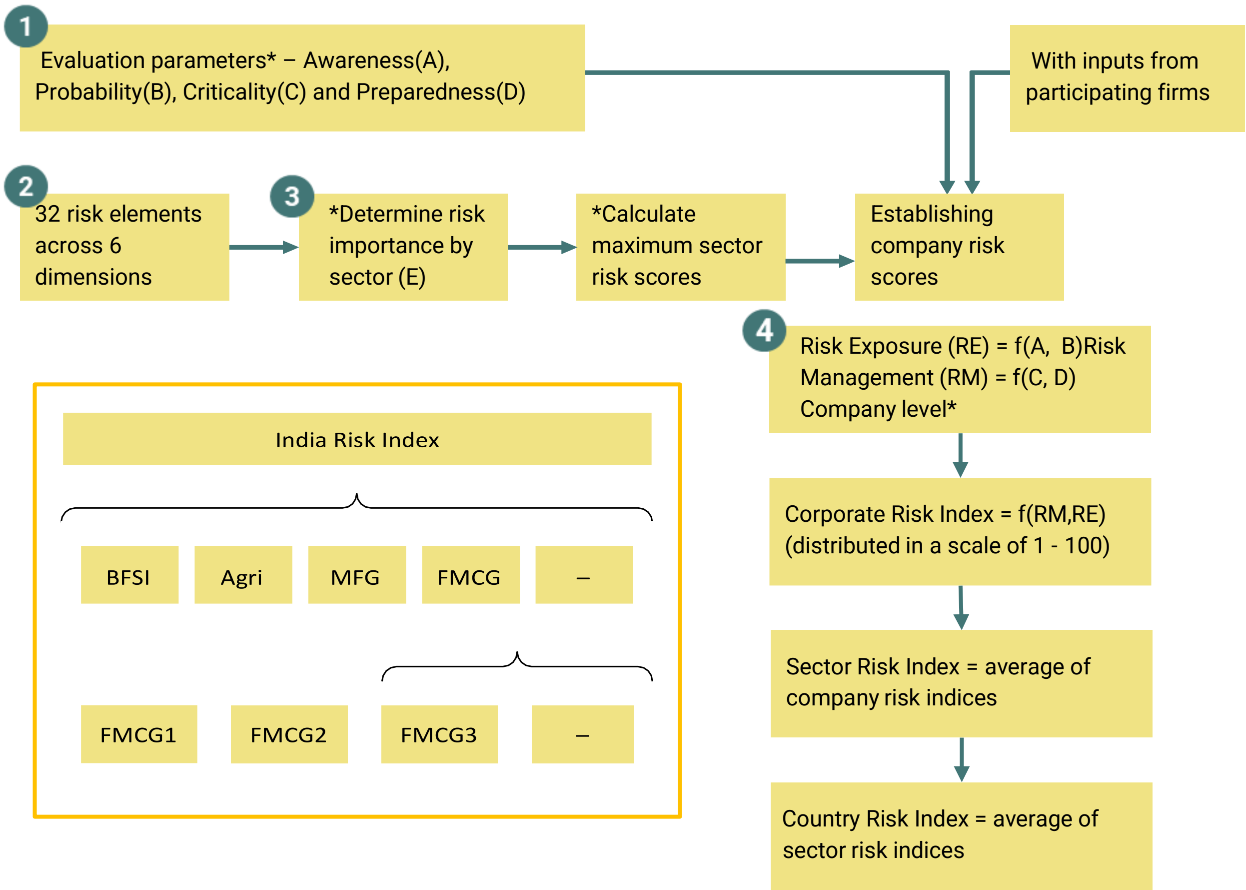


Figure 1: Risk Assessment Approach

1. **Evaluation Parameters*:** The index maps the risks faced by any enterprise basis of Awareness, Probability, Criticality and Preparedness against the defined Risk elements. The evaluation Parameters are defined as:

- Awareness - Level of awareness of potential risk affecting the firm.
- Probability - Likelihood of risk to affect the business goals of the firm adversely.
- Criticality - Level of impact of the identified risk on the success of business goals.
- Preparedness - Risk handling practices/ mechanisms already in place to handle the risk.

2. **Determining Risk Importance*:** Importance/Impact of individual risk element is established against individual sector based on the published corporate risk reports, in depth sector

understanding by F&S team and SMEs.

3. **Calculating Maximum Sector Risk Score**: Weighted Sum of all risk elements based on their importance to the respective sector.

4. **Company Level*:** All the Risk Index scores for companies in a sector are averaged to represent the sector; and sectors average to India. Risk Exposure is defined as the function of corporate's Risk Awareness and Probability of risk occurrence. Risk Management is defined as the function of an enterprise risk preparedness and criticality risk impact assessment.

Defining the Risk Scale

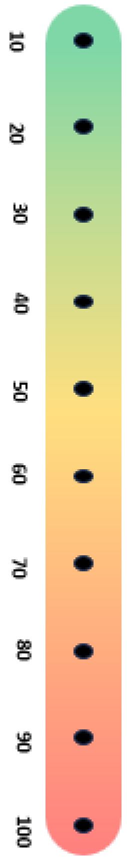
We have selected 20 sectors to understand the current stand of our country today in terms of risk. Risk for various sectors is measured on the risk exposure scale and risk management scale.

A. ICICI Lombard Corporate Risk Exposure – Scale

Risk Exposure: The impact of any internal, external or strategic occurrence on the financial performance of an organization is defined as the corporate risk exposure.

Risk has traditionally been seen as something to be avoided – with the belief that if behavior is risky, it's not something a business should pursue. But the very nature of business is to take risks to attain growth. Risk can be a creator of value and can play a unique role in driving business performance.

Let's look at the risk exposure scale.



Score: If less than 30 means there is very low risk exposure, and the sector has minimal exposure to overall risk

Score between 30 to 50 indicates low risk exposure and its risk exposure is within acceptable or tolerable limits

Score between 50 to 60 indicates moderate exposure indicating corporate can balance the impact of overall risks up to a certain extent

Score between 60 to 80 indicates high risk exposure and its impact is very high in the industry in which the corporate operates

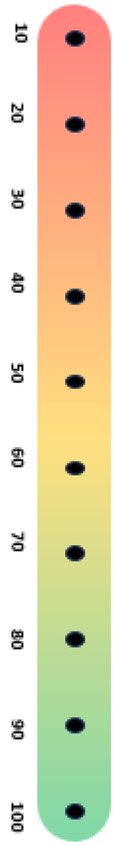
Score greater than 80 indicates very high-risk exposure. The corporate is unable to foresee risk incidents and probability of occurrence of these incidents may be extremely high

B. ICICI Lombard Corporate Risk Management – Scale

Risk Management: Identification, Evaluation and Prioritization of corporate risks followed by well- coordinated steps to minimize the occurrence of uncertainties in the foreseeable future is defined as the Corporate Risk Management.

The risk management scale works in the opposite to that of the risk exposure scale.

Let's look at the risk management scale.



Score less than 40 means poor risk management. The enterprise is unable to understand the concept of risk management

Score between 40 and 50 indicates the risk management is below par so there are inefficient risk management practices which is reactive to newer or unknown risks

Score between 50 to 70 indicates acceptable risk management. The corporate is prepared to handle known risk, and the criticality of its risks are not severe

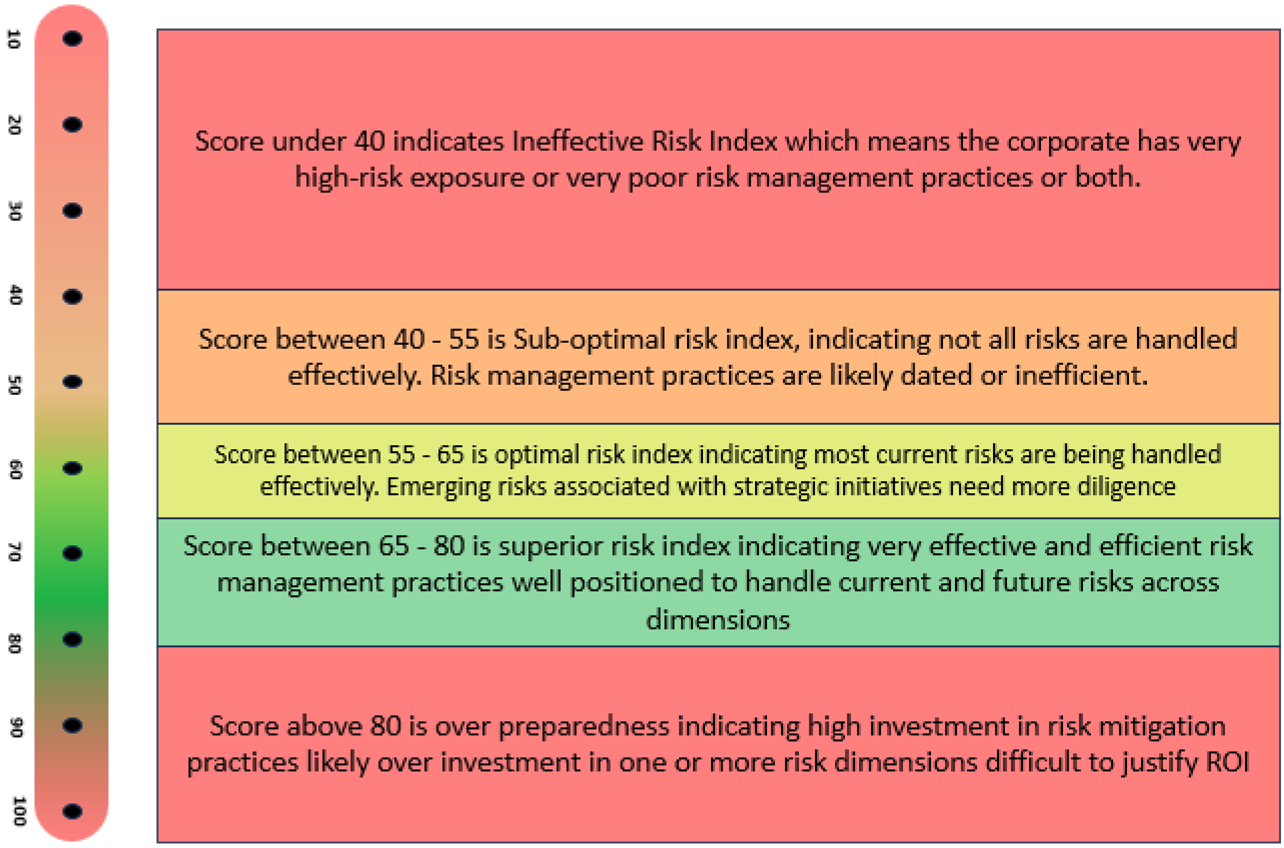
Score between 70 to 80 indicates superior risk management. Top class risk management practices have been employed to manage dynamic and unknown risk.

Scores above 80 indicate Exemplary risk management. The companies are over prepared in risk management practices and are proactive to emerging risks.

c. ICICI Lombard Corporate Risk Index – Scale

Risk Index: Risk Index is a measurement tool to gauge the level of Risk Exposure against Risk Preparedness. The score intends to give companies/Sector/Country access to an extensive and quantifiable metrics of risk management.

Let's look at the risk Index scale.



India - Resilient Growth and Superior Risk Management

In 2024, India's diverse sectors demonstrated significant growth and resilience, leveraging technological advancements, strategic reforms, and proactive risk management to navigate an evolving economic landscape. Despite global challenges, industries embraced innovation, digital transformation, and sustainable practices, positioning themselves for long-term success.

In this year, the integration of Artificial Intelligence (AI) across various sectors presented both significant opportunities and risks. While AI-driven innovations enhanced productivity, decision-making, and customer engagement, the adoption also raised concerns around data privacy, cybersecurity, and workforce displacement. India navigated these risks by implementing robust data protection regulations and promoting AI ethics in the development and deployment of technology. Additionally, the government and private sector invested in reskilling programs, ensuring the workforce was equipped to adapt to the evolving digital landscape. AI's strategic implementation across sectors like BFSI, healthcare, and manufacturing helped India enhance operational efficiency while balancing the challenges posed by rapid technological transformation.

The Aerospace & Defence sector saw substantial advancements as India attracted global aerospace companies seeking to strengthen supply chains. Local firms expanded their capabilities, particularly in the growing private space sector, driving both revenue growth and global competitiveness. The Agri & Food Processing sector turned to precision farming and AI-driven analytics to enhance productivity, while renewable energy solutions like solar-powered cold storage reduced post-harvest losses, improving sustainability and efficiency.

In the Automotive sector, the shift toward electric vehicles (EVs) gained momentum, supported by government schemes aimed at promoting EV adoption. Major manufacturers expanded their EV portfolios, addressing both sustainability goals and evolving consumer demands. The BFSI sector continued its digital transformation, with AI integration enhancing fraud detection and compliance, further improving security and efficiency.

The Biotech & Lifesciences sector experienced accelerated growth, particularly in genomics and vaccine development, with India solidifying its role as a global leader in pharmaceutical manufacturing. The sector's innovation, supported by public and private investments, enhanced healthcare technology and medical devices. In Chemicals & Petrochemicals, India attracted significant investments to meet rising demand, driven by growing consumption from its expanding middle class, while the Education sector embraced AI and digital learning platforms, expanding access to quality education and equipping the workforce for future demands in emerging technologies.

The Energy sector made substantial progress towards sustainability, with a focus on renewable energy, including ultra-mega solar parks and offshore wind projects. These initiatives were supported by favorable government policies and decreasing costs of clean energy technologies. The FMCG sector adapted to inflationary pressures by shifting focus towards premium products and e-commerce platforms, which were increasingly driving sales, particularly in rural markets.

In Healthcare, there was significant growth fueled by digital innovations such as telemedicine and AI-driven diagnostics, which helped improve access and efficiency in healthcare delivery. India also continued to strengthen its position as a global hub for medical tourism, offering competitive treatment options. The Real Estate sector benefitted from increased demand in affordable housing and infrastructure development, with commercial real estate seeing steady growth and an emphasis on sustainable building practices.

The IT sector continued to thrive despite global challenges, driven by demand for cloud services, cybersecurity solutions, and AI technologies. Tier 2 and 3 cities emerged as new tech hubs, with government support enhancing regional tech expansion. The Pharmaceutical sector saw an uptick in exports and domestic manufacturing, with reduced dependence on imports and new product launches in global markets bolstering its growth. In Manufacturing, India focused on boosting production through initiatives like the Production-Linked Incentive schemes, especially in electronics and EV manufacturing, which also contributed to job creation and supply chain resilience. The "China + 1" strategy adopted by global firms has played a pivotal role in shaping India's manufacturing sector. While it has increased risk exposure, it has also driven companies to invest in more sophisticated, globally relevant risk management practices, strengthening the sector's resilience and positioning India as a key player in global supply chains.

Media & Entertainment saw continued growth, with OTT platforms gaining popularity, especially in regional content. The Gaming industry also flourished, becoming a key revenue generator as mobile gaming gained dominance. In Steel and Mining, investments in decarbonization and digitalization allowed the sectors to reduce environmental impact and enhance operational efficiency. Startups saw substantial funding despite global slowdowns, with SaaS, fintech, and D2C brands leading the charge in innovation and market expansion.

The Telecom sector expanded 5G coverage and rural internet penetration, narrowing the digital divide and improving connectivity across the country. The Tourism & Hospitality sector rebounded strongly, attracting both domestic and international visitors, with eco-conscious travelers opting for sustainable tourism options and luxury experiences. Finally, the Logistics sector benefited from advancements in automation and multimodal connectivity, reducing costs and improving efficiency, while the government's National Logistics Policy streamlined operations, cutting transit times and enhancing cross-sector integration.

In summary, 2024 saw India's sectors display resilience and adaptability, addressing emerging risks through innovation, digital adoption, and sustainability initiatives. The country's ongoing focus on risk management, technological advancement, and strategic reforms has positioned its economy for continued growth and transformation, paving the way for India to solidify its place as a global economic leader.

India Showcasing an Optimized Risk Handling

Figure 2: Corporate India Risk Index 2024

A score of 65 on the Corporate Risk Index indicates optimal handling of risk by the Indian companies. In 2024, India faced significant market, economy, and operational risks across various sectors, highlighting areas for improvement in the coming years. The year was further complicated by global events such as the ongoing Israel-Palestine conflict, which led to geopolitical instability and fluctuations in global oil prices. The rise of recession fears in major economies like the United States and Europe disrupted supply chains and created demand uncertainties, impacting Indian exports and manufacturing. Investor sentiment in India remains flat in 2024, reflecting the cautious behavior of Angel and VC investors globally. This persistent challenge, which has carried over from 2023, highlights ongoing risks in the market and underscores the uncertainty that continues to affect investment decisions in the country.

Additionally, India's national elections increased risk exposure, with political uncertainty and policy shifts potentially affecting business operations, investor confidence, and sectoral reforms. These global and domestic challenges underscored the need for stronger risk management frameworks and adaptive strategies across India's industries to navigate future uncertainties effectively.

In response to the heightened risks in 2024, companies across India have increasingly focused on strengthening their risk management frameworks. With the backdrop of global uncertainties, such as geopolitical conflicts and economic slowdowns, alongside domestic challenges like the national elections, businesses have prioritized proactive risk identification, mitigation strategies, and resilience-building measures. This shift reflects a broader trend of embedding risk management into corporate strategy, with an emphasis on agility, digital transformation, and sustainability.

As a result, sectoral risk indices have remained within the superior and optimal risk index range, demonstrating that most industries in India have effectively managed the challenges they faced. Through a combination of technological innovations, regulatory compliance, and strategic planning, sectors have been able to maintain stability and navigate both internal and external risks. This disciplined approach to risk management has ensured that, despite various pressures, India's sectors remained well-positioned for sustainable growth and continued progress in 2024.

Below is a broader categorization of sectors in terms of risk index:

Figure 3: Corporate India Risk Index 2024 Sector Score

Superior Risk Index

Superior risk handling was found in nine industrial sectors:, Pharmaceuticals, Healthcare Delivery, Automotive & Ancillary, Manufacturing, Metals & Mining, Telecom & Communication, BFSI, Tourism & Hospitality, and Transportation & Logistics.

Optimal Risk Index

Optimal risk handling was found in 11 industrial sectors: Media & Gaming, FMCG, Infra & Realty, Agriculture & Food processing, Biotech & Lifesciences, IT ITES, Energy, New Age & Startup, Aerospace & Defence, Chemicals & Petrochemicals and Education & Skill Development.

BFSI Sector Insights 2024

The Banking, Financial Services, and Insurance (BFSI) sector in India remains a cornerstone of the country's economic infrastructure, contributing significantly to financial inclusion, capital formation, and economic growth. In 2024, the sector experienced notable expansion, fueled by digital transformation, regulatory support, and the growing adoption of financial services across urban and rural areas. The government's push for financial inclusion, through initiatives such as Jan Dhan Yojana and rural banking expansion, has brought millions of unbanked individuals into the formal financial system. Additionally, advancements in digital payments, including UPI, and the adoption of fintech solutions have further revolutionized the sector, improving access and convenience for consumers.

However, the BFSI sector faced several challenges in 2024. The rising incidence of non-performing assets (NPAs) remained a concern, particularly in the wake of economic uncertainties and corporate debt levels. Cybersecurity threats became more pronounced as the sector accelerated its digital shift, exposing institutions to potential data breaches and fraud. The regulatory environment also posed challenges, with frequent policy changes requiring institutions to quickly adapt. Moreover, financial literacy, particularly in rural areas, and the talent gap in specialized areas like risk management and digital finance continue to be limiting factors for the sector's growth.

Despite these challenges, the BFSI sector is well-positioned to capitalize on emerging opportunities. Digital banking, fintech innovations, and sustainable finance are driving growth, while government initiatives aimed at infrastructure development and MSME financing are creating increased demand for banking services. The rise of green banking, responsible lending, and impact investing reflects the sector's growing alignment with sustainability goals. The expanding reach of digital lending, particularly for MSMEs and underserved populations, offers significant potential to bridge the credit gap and support economic development. The continued collaboration between financial institutions, regulators, and technology providers will be crucial in addressing these challenges and unlocking the sector's full potential.

BFSI Sector Risk Index 2024 Vs 2023

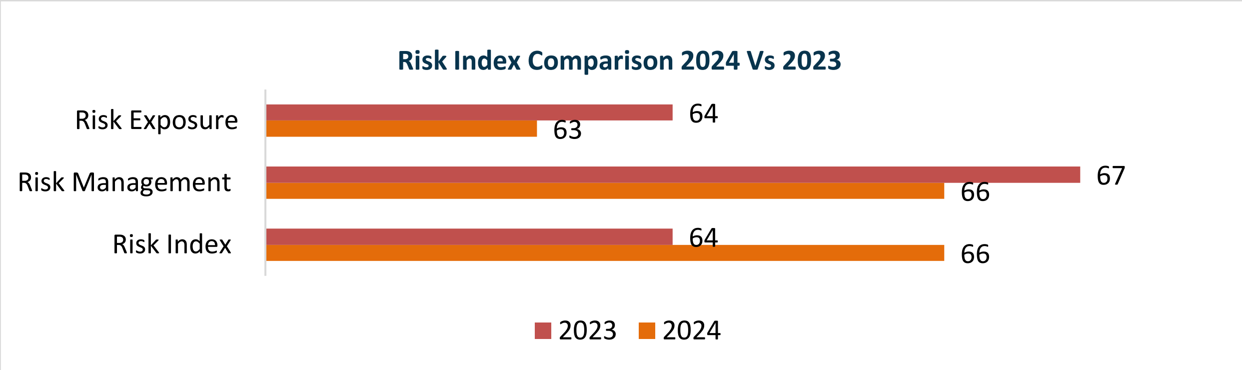


Figure 4: Detailed Comparative Analysis 2024 Vs. 2023

BFSI Sector Risk Index 2024 Vs 2023

The overall Risk Index for the sector increased from 64 to 66 in 2024, owing to a balance in both risk exposure and risk management.

BFSI Sector Risk Exposure 2024 Vs 2023

The reduction in risk exposure indicates a slight improvement in the sector's vulnerability to external and internal risks. While the sector still faces challenges such as rising NPAs, regulatory complexities, and cybersecurity threats, overall risk exposure has decreased due to more effective mitigation strategies. Factors like better credit risk management, increased asset quality, and stronger liquidity management, along with improved consumer confidence, contributed to this decline. The sector also benefited from the government's supportive policies and initiatives that enhanced the stability of financial institutions and reduced vulnerability to economic uncertainties.

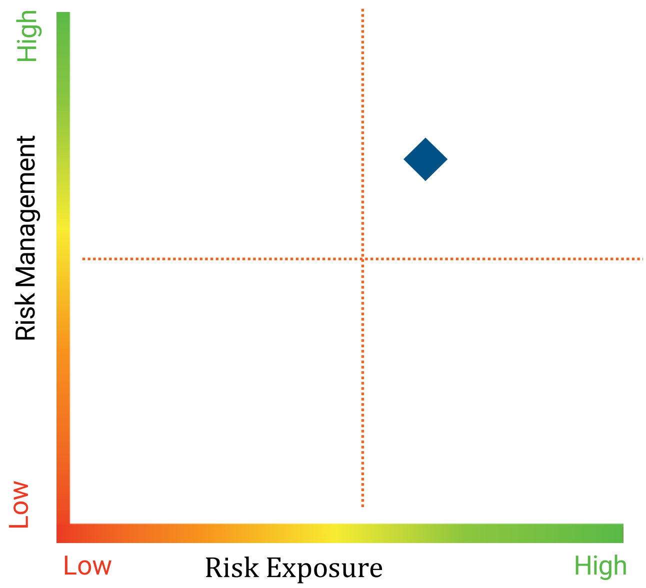
BFSI Sector Risk Management 2024 Vs 2023

The slight decrease in the risk management score, while still indicating strong governance and preparedness, suggests that the sector’s overall strategies to handle risks have slightly weakened. This could be attributed to factors such as increased regulatory scrutiny, the challenges of managing digital transformation in a rapidly evolving technological landscape, and the increasing sophistication of cyber threats. Additionally, the talent gap in specialized areas like cybersecurity and digital finance may have affected the overall effectiveness of risk management practices. Despite these challenges, the sector continues to adopt advanced technologies and digital solutions, but the slight dip in risk management reflects the sector's ongoing adjustments to emerging risks.

Key Highlights

Risk Dimension Analysis: Market and Economy

Risk Exposure Score: 74
Risk Management Score: 78



Inflation

- Inflation directly impacts interest rates, influencing borrowing costs for businesses and individuals. Persistent inflation leads to higher lending rates, increasing the risk of loan defaults, especially in segments like housing loans, MSME financing, and retail credit.
- Rising inflation increases expenses related to employee compensation, infrastructure, and technology upgrades. BFSI firms, have reported higher operational costs due to inflation-driven salary increments and technology investments.
- Inflation erodes purchasing power, leading to lower retail spending and affecting demand for banking products such as credit cards and personal loans. Corporations may also reduce borrowing due to higher capital costs, impacting banks' lending business.
- Inflation forces central banks like the RBI to implement contractionary monetary policies, increasing repo rates to control inflation. This, in turn, reduces liquidity in the banking system, making it more expensive for banks to lend and affecting overall credit growth.

Taxation Risk

- Changes in corporate tax structures and GST policies directly impact BFSI profitability, requiring strategic tax planning. Tax reforms such as the introduction of higher GST rates on banking services or changes in capital gains tax policies influence financial transactions, making financial planning more complex some institutions.
- Global taxation policies, including the OECD's 15% global minimum tax, have implications for multinational banks. They must reassess their tax strategies to ensure compliance with global regulations while minimizing financial burdens.

- Frequent changes in taxation laws, such as revisions to securities transaction tax (STT) and long-term capital gains (LTCG) tax, impact investment flows in equity markets. Brokerage firms like MOFSL have reported concerns about how such tax shifts influence retail investor sentiment and trading volumes.
- Banks and financial institutions must ensure compliance with complex domestic and international tax regulations. Failure to do so can lead to penalties and reputational damage, making it crucial for organizations to maintain robust tax governance frameworks.

Geopolitical Risks

- Global conflicts, such as the Ukraine war and Middle East tensions, have widespread economic repercussions, including supply chain disruptions, fluctuating crude oil prices, and heightened market volatility.
- Trade sanctions and economic embargoes imposed by major economies can restrict international banking transactions, limiting cross-border trade financing and impacting global banking operations..
- Border tensions and shifting diplomatic relations influence foreign investment inflows into India. Any instability in relations with major trading partners can deter investors, affecting foreign direct investment (FDI) in sectors like infrastructure and manufacturing.
- Regulatory changes stemming from geopolitical risks, such as restrictions on foreign capital flows and sanctions compliance measures, can cause volatility in financial markets. Institutions heavily involved in capital markets, such as MOFSL, must ensure their risk models account for geopolitical instability to avoid losses from sudden market movements.

Foreign Exchange Risk

- Currency volatility impacts banks with international operations, affecting foreign-denominated revenues and costs.
- Depreciation of the Indian rupee increases import costs, affecting loan repayments for corporates engaged in foreign trade.
- Fluctuating foreign exchange rates impact remittance flows and cross-border banking transactions.
- Global economic factors, such as US Federal Reserve interest rate hikes, can lead to capital outflows from emerging markets like India. This affects liquidity levels for BFSI firms, requiring robust treasury management strategies.

Regulatory Risk

- Frequent changes in RBI guidelines, including capital adequacy requirements and provisioning norms, impact banks' liquidity and credit exposure.
- Regulatory compliance costs have increased as banks invest heavily in technology, training, and legal teams to meet evolving financial sector regulations.

- Failure to comply with stringent KYC and anti-money laundering (AML) regulations can lead to heavy fines and operational disruptions.
- Ongoing changes in foreign direct investment (FDI) rules and corporate governance norms influence financial sector expansion. BFSI firms must continually adapt to maintain regulatory approval for new products and cross-border financial services.

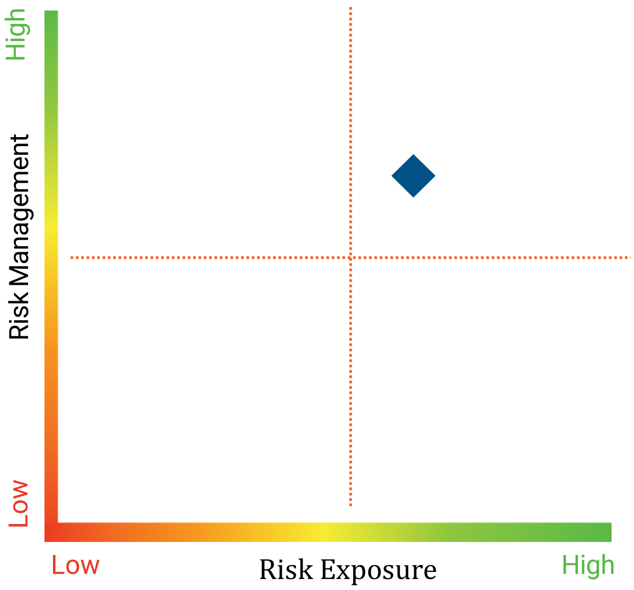
Competitive Risk

- The rise of fintech companies and digital-only banks has intensified competition in the BFSI sector. Digital-native platforms leverage AI, machine learning, and blockchain to offer faster, more efficient financial services, challenging traditional banks.
- Aggressive pricing strategies from both established players and new entrants put downward pressure on banks' profit margins. Many traditional banks are responding by expanding their product portfolios and introducing customer-centric financial solutions, such as flexible lending options and co-branded credit cards.
- Customers increasingly expect seamless, technology-driven banking experiences, forcing banks to accelerate their digital transformation.
- The growing demand for integrated financial solutions means that banks must provide a comprehensive range of services beyond core banking.

Risk Dimension Analysis: Technology

Risk Exposure Score: 62

Risk Management Score: 61



Innovation Risk / Obsolete Technology

- Failure to adopt emerging technologies such as AI, blockchain, and real-time analytics can cause financial institutions to fall behind competitors.
- Legacy systems are often difficult to integrate with modern fintech solutions, leading to inefficiencies in digital transformation.
- Delays in implementing new banking solutions can result in customer dissatisfaction and loss of market share.
- The cost of technological upgrades is substantial, and failure to manage these expenses efficiently can negatively impact financial performance.

Intellectual Property Risk

- Banks and financial institutions heavily rely on proprietary algorithms, trading models, and fintech innovations to maintain a competitive edge. Unauthorized use or theft of such intellectual property (IP) can lead to legal disputes and financial losses.
- Dependence on trade secrets and unpatented proprietary know-how exposes banks to risks of technology replication by competitors.
- Cross-border banking operations increase the risk of IP infringement lawsuits in jurisdictions with different intellectual property laws..
- Insufficient IP security can result in data leaks or unauthorized access to proprietary software, impacting trust and financial stability.

Disruptive Technology

- The rise of fintech firms, neobanks, and AI-driven financial platforms poses a challenge to traditional banks.
- Blockchain technology is reshaping payment processing, reducing the need for intermediaries. Banks that fail to adapt may lose revenue from traditional transaction fees.
- AI-powered credit scoring and automated lending platforms are reducing the reliance on traditional credit assessments.

- The evolution of digital currencies and decentralized finance (DeFi) could disrupt conventional banking models.

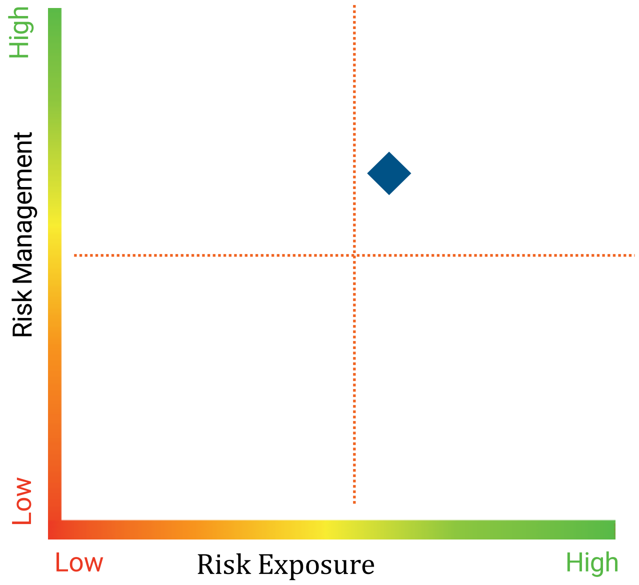
Data Compromises

- Data breaches due to cyberattacks can lead to severe financial losses, regulatory penalties, and reputational damage.
- Failure to comply with evolving data protection regulations, such as RBI's cybersecurity framework, can result in legal action.
- Phishing attacks and social engineering scams targeting customers are increasing.
- Third-party data sharing, particularly with fintech partners and outsourcing vendors, increases exposure to data breaches.

Risk Dimension Analysis: Operational and Physical

Risk Exposure Score: 61

Risk Management Score: 63



Critical Infrastructure Failure / Machine Breakdown

- The BFSI sector relies heavily on robust IT infrastructure, and any disruption in core banking systems, payment gateways, or cloud services can lead to significant financial and reputational losses.
- Increased cyber threats and hardware failures pose significant risks to uninterrupted banking operations.
- Power outages, natural disasters, and unexpected technical failures can disrupt banking services, especially in rural areas with limited alternative banking channels.
- Cloud computing and third-party service providers are becoming integral to banking operations, but reliance on external vendors increases vulnerability to systemic failures.

Business Continuity / Sustainability

- Natural disasters, pandemics, and cyberattacks can severely disrupt banking operations. Financial institutions must have robust business continuity plans (BCPs) in place to handle crises effectively.
- A lack of sustainable business models can lead to long-term financial instability. As part of its sustainability efforts,
- Maintaining uninterrupted financial services during unforeseen events, such as economic recessions or IT infrastructure failures, requires pre-emptive planning.
- Failure to implement strong internal control measures can result in operational failures and financial losses.

Supply Chain Risk

- The BFSI sector increasingly depends on external service providers for digital banking, cloud services, and cybersecurity. Any failure from a third-party vendor can disrupt critical banking operations, as seen in cases where major banks experienced issues due to reliance on fintech partners.

- Global supply chain disruptions, such as semiconductor shortages, affect financial hardware infrastructure, including ATMs, POS machines, and secure banking servers.
- Heavily regulated banks must comply with stringent outsourcing guidelines set by RBI. Failure to meet these standards can result in penalties and operational inefficiencies.
- Rising geopolitical tensions and trade restrictions impact the availability of critical technology components, affecting fintech partnerships and banking innovation.

Commodity Price Risk - Volatility in prices of raw materials

- Banks that provide gold loans, agricultural financing, and commodity-backed securities are highly exposed to price fluctuations in global commodity markets.
- Volatility in crude oil prices affects inflation and economic stability, influencing loan repayment rates and credit demand.
- Agricultural commodity price fluctuations directly impact rural banking operations. Bandhan Bank, which serves a large rural customer base, ensures that its agricultural loan policies account for seasonal price variations to minimize default risks.
- Banks engaged in commodity-linked derivatives must have strong risk mitigation measures to counter unexpected market fluctuations.

Portfolio Risk

- A highly concentrated loan portfolio exposes banks to heightened credit risks. If a significant portion of a bank's lending is directed toward a particular industry or customer segment, any downturn in that sector can lead to a surge in non-performing assets (NPAs).
- Losing key customers or institutional clients can significantly impact a bank's revenue stream. Large corporate accounts and high-net-worth individuals (HNIs) contribute substantially to fee-based income.
- Over-dependence on specific suppliers or business partners can disrupt banking operations. For example, fintech collaborations for digital lending and payments pose risks if a partner company faces operational issues or regulatory hurdles.
- Business model risks arise from shifting regulatory frameworks, evolving customer preferences, and technological disruptions. Traditional banks must continuously innovate to stay relevant.

Environmental Hazard Risk

- Climate change and extreme weather events pose financial risks to banks through increased insurance claims, asset depreciation, and disruption of physical operations.
- Regulatory pressure for sustainable finance requires banks to integrate environmental risk assessments into their lending decisions.
- Deforestation, water scarcity, and pollution can impact businesses financed by banks,

increasing the risk of loan defaults. Banks with heavy exposure to industries like mining and manufacturing need stringent due diligence to assess environmental liabilities.

- Failure to address sustainability concerns can lead to reputational damage and potential investor withdrawals.

Workplace Accident

- Fire hazards, explosions, and industrial accidents at bank branches, data centers, or corporate offices can disrupt operations and result in financial losses.
- Workplace injuries can lead to legal liabilities, compensation claims, and reputational risks. Employee health and safety regulations are becoming stricter, requiring financial institutions to enhance workplace security measures.
- Containment incidents, such as chemical leaks in manufacturing units financed by banks, can impact financial exposure. Banks involved in project financing, conduct environmental and social impact assessments before approving large-scale loans.
- Labor strikes and protests at financial institutions can disrupt customer services.

Human Resource

- Key person risk arises when a business or financial unit is heavily reliant on specific individuals for operational success. Losing senior executives or top-performing relationship managers can disrupt service delivery.
- Talent acquisition and retention are major challenges in the BFSI sector, especially with rising competition from fintech firms and global financial institutions.
- Labor shortages in specialized financial fields, such as risk management and investment banking, pose operational challenges.
- Employee health, safety, and security have gained increased attention, particularly after the COVID-19 pandemic. Financial institutions have revised workplace policies to ensure mental well-being and remote work flexibility.

Financial Risk

- Material misstatement of financial statements due to fraud or accounting errors can lead to regulatory penalties and reputational damage.
- Interest rate fluctuations impact loan pricing, deposit rates, and overall banking profitability.
- Equity price fluctuations affect a bank's investment portfolio, especially those with large proprietary trading desks..
- Liquidity risks arise when banks face difficulty in meeting short-term financial obligations.

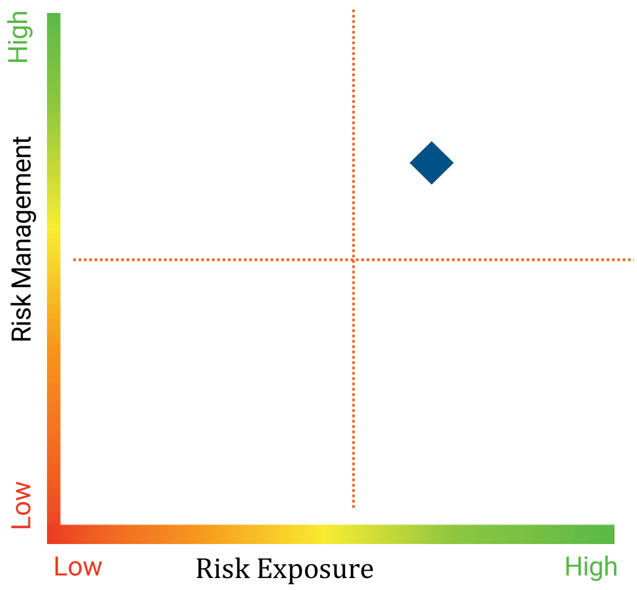
Breaches of law (local/ international)

- Failure to comply with local and international laws can lead to lawsuits, regulatory fines, and reputational damage..

- Involuntary breaches of law due to regulatory changes can create financial and operational stress. Banks must continuously update their compliance mechanisms to align with evolving regulations.
- Cross-border banking operations expose financial institutions to jurisdictional risks.
- Consumer protection laws are becoming more stringent, requiring banks to ensure transparency in financial product disclosures.

Risk Dimension Analysis: Crime and Security

Risk Exposure Score: 58
Risk Management Score: 64



Cyber-crimes

- Data breaches, hacking incidents, and ransomware attacks pose severe threats to banking security. BFSI institutions are prime targets for cybercriminals due to the vast amount of sensitive customer data they handle.
- Phishing scams and online banking fraud have increased with the rise of digital financial services.
- Legacy banking systems are often difficult to secure, making them vulnerable to cyberattacks.
- Financial institutions must comply with evolving cybersecurity regulations, including data localization laws and customer data protection mandates.

Counterfeiting

- Counterfeit currency remains a challenge, particularly in economies with high cash transactions.
- Digital counterfeiting, such as identity theft and fraudulent online transactions, is rising.
- Fake financial products, including counterfeit insurance policies and fraudulent investment schemes, can erode customer trust.
- International money laundering networks use counterfeit banking documents to facilitate fraud.

Threat to Women Security

- Instances of financial fraud and harassment in digital banking channels disproportionately affect female customers.
- Physical security risks at bank branches, particularly in remote locations, require enhanced safety measures. I
- Cyberstalking and fraudulent loan schemes targeting women entrepreneurs have increased.
- Women employees in the BFSI sector may face workplace security concerns.

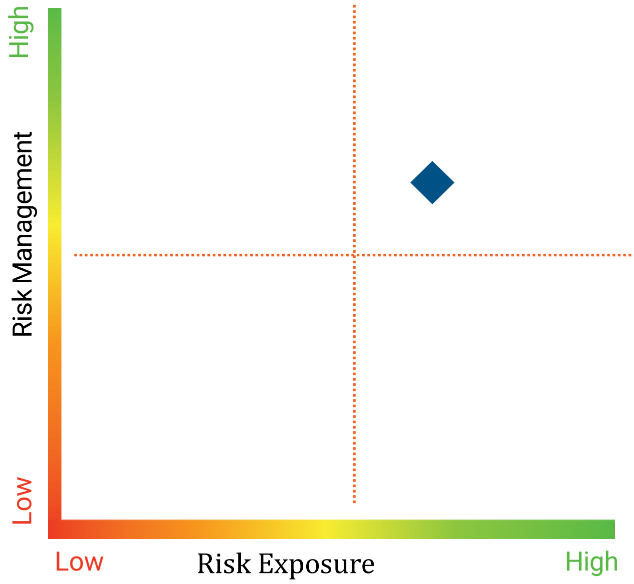
Terrorism

- Terrorist financing and money laundering risks require stringent compliance with AML and counter-terrorism financing (CTF) regulations.

- Terror-related cyberattacks targeting banking infrastructure can disrupt financial services.
- ATM bombings and branch attacks in high-risk regions necessitate heightened security protocols.
- Sanctions on entities linked to terrorism require constant monitoring of customer transactions.

Risk Dimension Analysis: Natural Hazard and Event

Risk Exposure Score: 60
Risk Management Score: 62



Natural Hazards like flood, drought, famine, earthquake, landslide etc

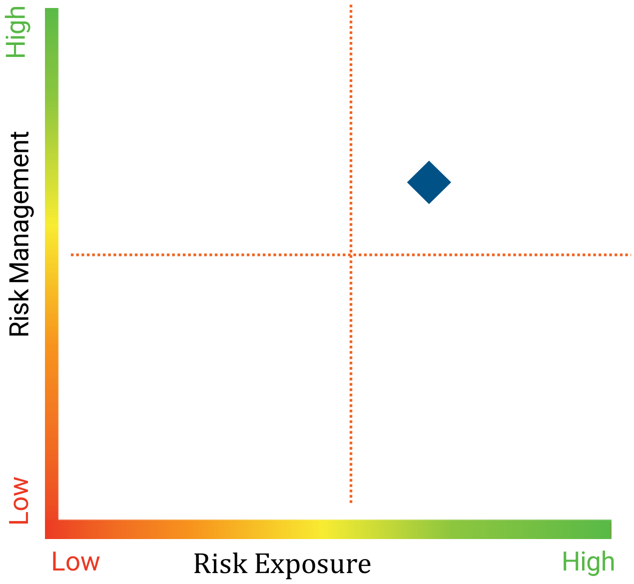
- Floods, earthquakes, and cyclones can damage bank infrastructure, causing operational disruptions.
- Climate change affects asset valuations, especially in sectors like real estate and agriculture lending.
- Severe weather events can lead to increased insurance claims, impacting the financial stability of banks involved in insurance services.
- Supply chain disruptions caused by natural disasters can affect banks reliant on global IT infrastructure and service providers.

Pandemic and other Global Epidemic Diseases

- Health crises like COVID-19 severely impact loan repayment rates and banking liquidity.
- Operational challenges such as branch closures and workforce shortages require agile business continuity strategies.
- The pandemic accelerated the shift toward digital banking, forcing traditional banks to adapt rapidly.
- The economic slowdown resulting from global pandemics can reduce consumer demand for loans and investment products.

Risk Dimension Analysis: Strategic Risk

Risk Exposure Score: 55
Risk Management Score: 64



Resource scarcity / Misutilisation / Overall Utilisation

- Shortages of skilled labor, technological infrastructure, and physical banking resources can hinder expansion and service delivery.
- Inefficient allocation of financial resources can lead to operational inefficiencies and increased costs..
- Overutilization of banking infrastructure, such as ATMs, digital servers, and branch networks, can lead to system failures and customer dissatisfaction.
- Misutilization of funds, particularly in public sector banks, has led to financial instability in certain cases.

Public Sentiments

- Negative public perception due to banking frauds, financial mismanagement, or regulatory fines can lead to reputational damage and loss of customer trust.
- Social media plays a crucial role in shaping customer sentiment, with negative news about service failures or security breaches spreading rapidly.
- Customer dissatisfaction due to poor service, hidden charges, or technical failures can lead to mass account closures or regulatory interventions.
- Public perception of banking ethics, corporate social responsibility (CSR), and sustainability initiatives influences consumer choices.

Delay in Execution of Projects

- Infrastructure development projects, such as opening new branches, upgrading digital banking platforms, or implementing fintech collaborations, often face delays due to regulatory approvals and logistical challenges.
- Delays in launching new banking products or services can result in a loss of competitive advantage.
- Slow decision-making processes within financial institutions, especially in public sector banks, can hinder timely execution of critical projects.

- External dependencies, such as third-party technology providers or international regulatory changes, can further delay project timelines.

Increased Number of Recalls and Quality Audits

- Regulatory bodies, including the RBI and SEBI, frequently conduct audits to ensure financial compliance, and any discrepancies can lead to product recalls.
- Increased scrutiny on banking practices, such as loan approvals, risk assessments, and customer verification, has led to stricter quality audits.
- Poorly structured financial products or investment schemes may require recalls if they do not meet customer expectations or regulatory standards.
- Non-compliance with consumer protection laws can lead to mass product withdrawals, damaging customer trust.

Failed / Hostile Mergers & Acquisitions

- Unsuccessful mergers and acquisitions (M&As) can result in financial losses, cultural conflicts, and operational inefficiencies.
- Hostile takeovers often lead to management disputes, employee dissatisfaction, and strategic misalignment.
- Incompatibility between merging entities in terms of technology, regulatory compliance, and corporate culture can lead to failed integrations.
- Overvaluation or misjudgment of synergies between two merging firms can result in financial strain and investor dissatisfaction.

ICICI LOMBARD: Key Solution Offerings

Property

Evaluation of various risks to understand areas for improvement, such as fire preparedness, electrical safety, safety & emergency preparedness, maintenance and house-keeping, etc. By evaluating risks, we can identify potential hazards and advise on mitigating risks.

- **Property Loss Prevention:** We believe users should carry out detail risk visit followed by benchmarking of the industry good practices (Industry Risk Profiling). For instance, industries such as chemicals & petrochemicals impose a major challenge in manufacturing due to inherent risk. We recommend solutions for “Low Focus - High Loss Areas. This can help in minimizing severity losses. All the risk recommendations are grouped into four different segments based on cost-impact matrix and the priority is decided accordingly. Key decision makers at user’s end can ensure to get recommendations implemented.
- **Comprehensive Risk Assessment (CRA):** A Comprehensive Risk Assessment is a systematic approach to electrical safety specially designed for industries to evaluate potential hazards and recommend improvements, coupled with savings. It is an important tool for identifying risks, severity of hazards and avoid incidents arising out of electrical faults.
- **Electrical Risk Assessment (ERA):** An Electrical Risk Assessment is a basic solutions focused towards electrical safety designed to evaluate potential hazards and recommend improvements. Majority of fires in India are caused due to electrical installations. Ensuring safety of electrical installations of industrial unit or organization is critical to reduce risk and ensure safety compliance with Safety Standards and Regulation. ERA is an important tool which have 6 inbuilt solutions such as Electrical Audit & Thermography, etc.
- **Fire Hydrant IoT:** Fire Hydrant IoT: Fire hydrant IOT (ILGIC Patented Solution) is an automated device for monitoring key parameters such as Hydrant and Sprinkler line pressure, Main and Jockey pump on-off status, Firewater tank level. These can be interpreted to provide intelligence on unauthorized usage of water and leakage, effectively saving water. This information pertaining to breach of above-mentioned parameters is notified through dashboard & email alerts. Monitoring of such system is essential as these fire fighting systems are lifeline during any emergency.
- **Temperature & Humidity IoT:** Provides end-to-end plug & play ambient temperature and humidity monitoring Solution to manage temperature and humidity-controlled environment more efficiently. It generates - Automated reports (historical trends for different locations etc.). Intelligent Alerts - SMS & emails is sent to the concerned (one or multiple) stakeholders in case

any anomaly.

- **Electrical IoT:** Electrical IoT is a patented solution (ILGIC Patented Solution) to avoid any instances of short circuiting due to abnormal voltage & current conditions. These are mainly built for application in warehouses. This solution has been created as these locations are having huge stocks with lesser manpower during emergencies mainly during non-business hours. The device automatically cuts off power in case of abnormality & restarts back when situation is normal.
- **Ultrasound technology for Gas Leak Detection:** Use of ultrasound technology for leak detection in process lines. The methodology recommends a non-destructive way of avoiding losses with no downtime. The main objective is to identify the leakages in all pressurized systems including pipelines by using ultrasound technology and tag them for rectification. It also includes listing leaks with individual CFM losses and cost savings possible.
- **Fire Mitigation Solutions:** Solutions have been designed based on their specific needs, keeping in mind the level of awareness and complexity of the location. These best-in-class solutions which are installed at correct locations.
- **Renewable Solutions:** In line with our philosophy of recommending business solutions, we recommend efficiency measurements for wind and solar power generating assets. Drones are used to provide high accuracy and quick reach which is not possible through any traditional methodology. User get to know about the low performing module and ways to improve the same within the entire solar plant with latlong identification. We recommend advanced drone-based technology for inspection of wind turbines and solar PV modules.

Marine

In the dynamic realm of marine insurance, cargo faces a myriad of risks, from unpredictable weather conditions to unforeseen accidents, safeguarding against potential challenges at sea and in surface transportation / INLAND movement is paramount.

- **MLCE (Marine loss control engineering):** Frequent occurring losses due to Peril such as accident, wet damage, theft, non-delivery, pilferage, hijack of consignments, mishandling shall be examined with ground inspections, to determine root cause analysis with MIS, claim assessment reports collectively in the form of logistics audit.
- **MWS (Marine warranty surveys):** Our inhouse practices of condition survey prior risk inception & post risk inceptions helps our customers to have an independent risk management of the high value / ODC (over dimensional cargo) movements conducted by the Insured so that reliance over logistics service provider is supervised with Insured’s nominated risk assessment team having a worldwide presence with a supervised network. Not only marine cargo, but HULL insurance risk exposures are surveyed for risk assessment and risk management.
- **Technical engagements:** Uncertainty of the risk associated with the transit can be concluded

with marine experts. Assessing vessel's condition for SEA transit as a full chartered load on behalf of the Insured, Risk assessment of cargo from packing, handling, lifting, securing, transit and final delivery methodology shall be discussed with the logistics team. Vessel selection, stowage and securing methods can be jointly discussed with the User's logistics team for a safe transit, dispatch and delivery coverage after assessing the risk on desktop with a virtual or F2F engagement and / or a ground visit.

- **Transit Telematics:** With the government's constant agenda of upgrading to digitalized operations by introducing ULIP and NITI Aayog mode of operations, not having a visibility of transit will hamper your logistics operations. IOT and SAAS (software as a service) based products incorporating the design of a cost efficiency and loss mitigation system can help enhance delivery with safe operation. Additionally, a 24*7 risk control is recommended to effectively monitor and mitigate theft / pilferage prone dispatches to ensure a safe transit delivery. Be it a temperature-controlled cargo, expensive cargo in transit or liquid bulk cargo in lorry tankers, it is essential to mitigate the risk and losses that might occur due to accidents caused by fatigue, unexplained conditions, or theft. We have case studies of successful recovery of stolen goods with our telematics services.

Liability

The growing adoption of technology in organizations has not only led to crucial data being stored and processed on digital platforms but also facilitated the automation of operations, thereby enhancing business efficiency. However, this shift also amplifies cyber risk, exposing sensitive information to potential threats and rendering organizations vulnerable to financial losses, reputational damage, and legal liabilities. As organizations delve deeper into the digital realm, fortifying cybersecurity measures becomes imperative to safeguard operational integrity and protect critical data from unauthorized access or breaches.

- **Phishing Simulation:** Experience cutting-edge phishing simulation tests to fortify your organization's defenses against cyber threats. You can enable phishing attack simulations to educate your employees on identifying and handling potential risks. Through engaging and interactive scenarios, you can raise awareness and equip your team with the necessary skills to detect and thwart phishing attempts.
- **Awareness Campaigns:** With Cyber Awareness Campaigns, you can go beyond just educating organizations about cybersecurity. The campaigns are meticulously designed to empower your team with essential best practices, insights into global incident trends and a comprehensive understanding of potential risks. Interactive designs help you captivate and engage your employees, fostering a cyber-aware culture within your organization. Customized campaigns can perfectly align with your unique needs and requirements and stay informed and vigilant.
- **Incident Response and Readiness:** A bespoke service that fortifies organizations with robust processes and clear communication channels for proficient cyber-incident management. This

recommendation not only trims down the incident response time but also facilitates prompt, accurate action within the crucial initial hours. By meticulously assessing your organization's incident response policies and sculpting response systems in alignment with global industry benchmarks, this ensures you are thoroughly prepared to tackle the evolving digital threat landscape.

- **CXO's Session:** CXO’s Session service provides immersive training sessions, personalized coaching & interactive discussions to empower your CXOs with cybersecurity knowledge that aligns with your business objectives. The subject matter experts recommend strategic guidance and in-depth insights into the ever-evolving threat landscape, translating technical jargon into practical language. Regular cybersecurity forums facilitate peer-to-peer learning and benchmarking against industry standards. CXO- focused approach ensures a cyber-aware leadership team that drives your organization’s success securely into the future.
- **Weekly Threat Intelligence Bulletin:** Stay ahead of cyber threats with the Weekly Threat Intelligence Bulletin. We meticulously curate this comprehensive bulletin, providing timely insights on emerging threats, vulnerabilities, and attack trends. Delivered directly to your inbox, it recommends proactive advantage by promptly identifying potential risks. With continuous updates and ongoing support, you can confidently adapt your Defence strategies to combat the most sophisticated threats. It enables you to make informed decisions and protect your organization from emerging threats with Weekly Threat Intelligence Bulletin.
- **Email Security:** Safeguard your organization's communication channels with the Email Security solutions. We recommend robust measures to protect against phishing, malware & other email-borne threats. The advanced email filtering and authentication technologies prevent malicious emails from reaching your users inbox. Implementing encryption protocols to ensure the confidentiality of sensitive data in transit is a good idea. With real-time monitoring and threat intelligence, email security measures provide proactive Defence, detecting and blocking suspicious activities promptly. You can protect your organization's reputation and sensitive information with comprehensive Email Security measures, ensuring a secure and reliable email environment.
- **Agent-less Patching:** Agent-less patching platform for companies and MSMEs who want a rapid solution to distribute critical security updates and vulnerability fixes without causing system downtime. The patching platform not only assists with patch deployment, but it also enables your system administrator in understanding the patches, Adjustments & impact of the patches on the system. Before applying the patch, the software generates a warning if the system requires downtime or a reboot. You can experience a hassle-free patching process with the platform recommending enhanced security for your organization.
- **EDR/MDR Services:** Elevate your organization's cybersecurity capabilities with the Endpoint Detection and Response (EDR) and Managed Detection and Response (MDR) services. These advanced solutions provide continuous monitoring, rapid threat detection & effective incident response, safeguarding your digital assets in real-time. With EDR, proactively detect and

respond to threats at the endpoint level, while MDR service offers 24/7 monitoring and expert support. You can strengthen defenses against the most sophisticated cyber-attacks with EDR/MDR services, ensuring a resilient and secure digital environment.

- **All-in-one Operating System:** All-in-One Operating System is a true game-changing platform that provides a fortified desktop environment to foster secure collaboration and centrally managed cybersecurity resilience. Inbuilt endpoint security serves as a vigilant guard, blocking potential dangers. Effortless IT management provides with a user-friendly interface, leading to significant cost savings in IT infrastructure. It provides in-built end-point security, automated updates and patches along with extensive device reports. Organizations can unlock a secure and prosperous future by embracing the All-in-One Operating System in their IT infrastructure.
- **Cyber Risk Management & Compliance Dashboard:** Gain a clear understanding of your organization's cyber risk exposure with Cyber Risk Management & Compliance Dashboard. This powerful tool assesses your risk posture, quantifies potential financial Impact & evaluates compliance with industry standards and regulations. Armed with this information you can make informed decisions to prioritize cybersecurity investments and ensure compliance with relevant laws and regulations. The intuitive dashboard provides a comprehensive view of your cybersecurity performance enabling data-driven decision-making. This solution enables organizations to stay ahead of threats and ensure a resilient cybersecurity posture.
- **Security Score Card:** Track your organization's cybersecurity performance with a dynamic Security Score Card solution. This comprehensive rating provides a clear overview of your security posture, highlighting areas that require attention and improvement. It empowers data-driven decisions, allowing you to focus on strengthening key areas. Identify potential risks and compliance gaps with industry standards and regulations. With actionable insights, you can prioritize cybersecurity investments effectively, ensuring a robust and resilient Defence against cyber threats. This Security Score Card solution can be your strategic tool to proactively elevate your cybersecurity posture.
- **VAPT:** Enhance your organization's cybersecurity defenses with the Vulnerability Assessment and Penetration Testing (VAPT) service. Skilled professionals conduct rigorous assessments, simulating real-world attacks to identify potential vulnerabilities in your digital infrastructure. With detailed insights, you can fortify your defenses and proactively address weak points before malicious actors exploit them. This service goes beyond identifying vulnerabilities, you also get actionable recommendations to mitigate risks effectively. Organizations can be one step ahead of cyber threats, ensuring the security and resilience of your critical assets with the comprehensive VAPT service.

Engineering

In engineering risk management, it's vital to adopt a holistic approach that extends beyond immediate concerns to proactively tackle potential risks and uncertainties. Drawing upon considerable expertise in claims handling and risk evaluation, a robust and customized protection strategy can be ensured.

Construction endeavors face a myriad of risks such as floods, cyclones, impact damage, fires, theft, and collapse. However, the adverse effects of these risks can be mitigated through the implementation of extensive loss prevention measures specifically tailored for engineering projects.

- **Engineering Loss Prevention Exercise (ELP):** To effectively manage losses in Engineering Risk, fostering a culture of loss prevention is crucial. It's widely acknowledged that each construction project is distinct, presenting specific challenges related to geography, geology, occupancy, and construction methodology, which in turn result in unique associated risks. To cater this challenge a specific risk management framework which deals about the unique requirement of each project could be created for the loss prevention with reference to some parameters of distinctive research and industries best practices.
- **Drone Solutions for Linear Projects:** In recent years, the construction industry has undergone significant changes due to the introduction of drone-based construction solutions. These cutting-edge technologies are transforming the planning, design, and execution of construction projects. A major benefit of drone technology in construction is its capacity to conduct aerial surveys, providing extensive coverage and detail. Drones, equipped with advanced cameras and sensors, can rapidly capture precise images and data, offering project managers valuable insights into site conditions. This data can facilitate project planning, cost estimation and design optimization by providing a comprehensive understanding of the project's parameters.
- **CPM - Fleet & Fuel Management:** An advanced GPS-equipped sensor is available to precisely measure direct fuel consumption, evaluate engine efficiency, and detect potential tampering of diesel engines in both mobile vehicles and stationary machinery. This solution enables real-time alerts for service reminders and critical health issues, facilitating prompt resolutions and enhanced utilization. Additionally, it offers valuable insights into machinery and equipment performance through comprehensive analyses, resulting in optimized inventory usage and increased efficiency.

Health

We highly recommend exploring proactive and preventive healthcare solutions, which can make a significant difference in maintaining good health. Recognizing that majority of in-patient department (IPD) admissions could be prevented with timely interventions and regular healthcare, it is important to focus on health, not just during illness.

- **Pioneering Digital Platform:** We recommend exploring digital health innovations offered by industry leaders, which provide cutting edge health solutions through the IL TakeCare (ILTC) app. Our platform has transformed the way health services are delivered by introducing a fully digital and cashless Outpatient Department (OPD) and Wellness Program.

- **Health Advisory Services:** We recommend a suite of health advisory services on the IL TakeCare app. Users can access health risk assessments, diet and exercise trackers, health parameter tracking and trends and sleep, meditation & hydration reminders. In addition, the platform recommends a feature to upload health records up to 1GB, and provides informative health blogs.
- **IL TakeCare App:** IL TakeCare app is a One-Stop-Solution for users with insurance needs. This robust user engagement is a testament to the high-value features that the app provides. Unique to the app is the innovative self-health assessment feature, which includes Face scan technology that can measure blood pressure, heart rate, cardiac variance, and SpO2 levels. The platform provides seamless teleconsultations with medical practitioners and specialists, and even recommends access to mental wellness experts to the insured. The facility for cashless OPD services and the efficient claim settlement process further enhance user experience. By encapsulating a wide range of state-of-the-art health services and solutions, the IL TakeCare platform revolutionizes corporate health management and serves as a comprehensive digital health solution.

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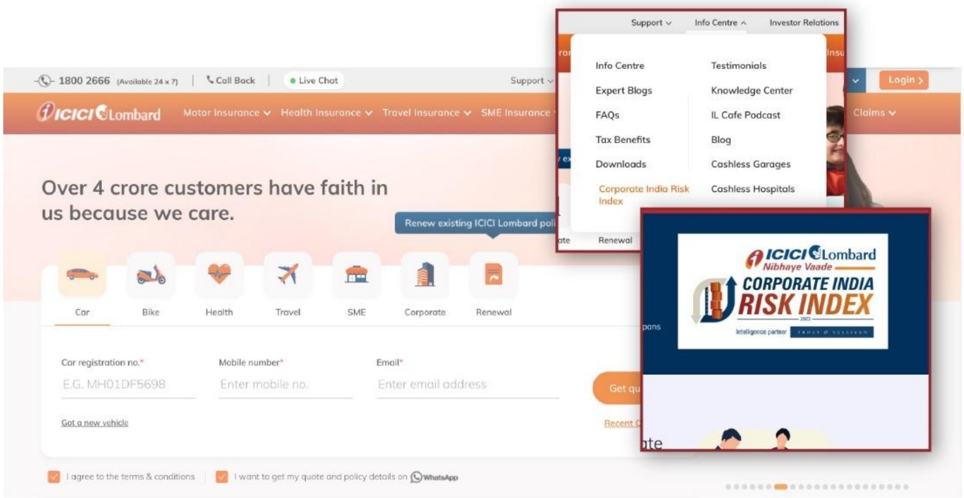

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