

IndiaFirst, Oxigen tie up

ADVAIT RAO PALEPU

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IndiaFirst Life Insurance has partnered payment solutions provider Oxigen to utilise its point of sale (POS) network for distributing insurance policies in a bid to reach the underbanked population.

“We are taking insurance to the last mile, both in rural and urban areas. This is for people who are either not saving or not opting for insurance because of paperwork issues,” said Pramod Saxena, chairman and managing director (MD), Oxigen Services India.

The partnership is aimed at enabling customers to buy

IndiaFirst’s insurance product across Oxigen’s 240,000 common service centres (CSCs) within minutes and eliminating paperwork. The life insurance company has designed ‘Khata’, its new product, keeping in mind the needs of customers in underbanked locations. Khata is a non-life, non-participating term assurance with return of premium plan. It provides individuals with the flexibility of paying premiums in parts, as and when possible.

“Khata is primarily targeted towards self-employed customers who do not have regular income. For these people, it is difficult to commit to a certain product that requires

regular outflow,” said RM Vishakha, MD and chief executive officer of IndiaFirst Life.

The partnership will begin as a pilot project for three to six months, first in Bihar and Odisha, and then in Uttar Pradesh, to understand ground challenges.

“The idea is to focus on most eastern and central regions, which are largely underbanked. That is where our last-mile banking services are focused, and that’s where we’d like to overlay insurance,” said Saxena.

He believes the simplicity of Khata, would help sell itself, and calls the product a ‘micro sachet’ of insurance.