



**Micro
Insurance
Innovation
Hub**
towards better lives

Pulse

NEWS LETTER

November 2025 (For internal circulation only) Volume -3 Edition-4

EDITORIAL

Dear Reader

November brings moments of reflection with Guru Nanak Jayanti and Nehru Jayanti (Children's Day), inviting us to renew our commitments to compassion, learning, and inclusive progress. These values guide the work highlighted in this edition of Pulse.

This month, Pulse brings together voices across the insurance ecosystem insurer, distributor, and technologist-alongside research, an impact study, and a forward-looking blog, illustrating how collaboration, clarity, and digital innovation are expanding protection for India's underserved.

From the insurer's perspective, Mr. Venkat Patrudu (Trovity Insurtech) emphasizes that collaboration between insurers, reinsurers, brokers, and Insuretech's is essential to address complex risks. Advocating a shift from transactional selling to a risk-partnership approach, he champions smarter products, clearer exclusions, and predictable claims. Through Paisaplan's Trovity platform, exclusions and claim illustrations are made central to the customer journey, turning clarity into meaningful protection.

From the distributor's perspective, insights from Suresh Kumar Pitta (Spearhead Insurance Broking) stress that distribution succeeds when built on trust, local partnerships, and simple education. Collaborations with NGOs, MFIs, SHGs, and community networks, combined with embedded compliance, make microinsurance relevant, affordable, and scalable for rural and low-income households.

From the tech perspective, Mr. Zen Maddala (Reesecure) highlights that climate volatility requires timely, data-driven responses. Reesecure's platform integrates forecast-based triggers, remote sensing, and a permissioned blockchain layer to ensure transparent, automated climate payouts, making protection faster, verifiable, and fair for smallholder farmers and rural lenders.

Our Research Paper, "Microfinance in India: Its Role in Financial Inclusion and Socio-Economic Transformation" by Dr. K. Samuel Sudhir, underscores microfinance's pivotal role from SHG-Bank linkages to NBFC-MFIs and JLG models in empowering women and driving rural entrepreneurship. The paper notes the sector's scale (over 1.2 crore SHGs and 14 crore households; MFI portfolio ~₹3.6 lakh crore in FY2024) and highlights the promise of digital and AI tools, while calling for stronger financial literacy, product diversification, and regulation for equitable growth.

Our Impact Study features Velicham Finance, which has extended life insurance to over 60,000 households, waiving loan liabilities for affected families and enabling new loans to rebuild livelihoods. Their roadmap to scale including cattle, MSME, asset, and health covers illustrates how embedding insurance into lending can protect both life and livelihood across rural and semi-urban segments.

The Blog, "From Activity to Assurance: Embedding Micro-Insurance in Everyday Behaviour," showcases activity-triggered microinsurance, linking cover to work, travel, or service use. Aligning micro-premiums and digital triggers with real-life risk moments, this model promises relevance, affordability, and scale for gig workers, commuters, and informal earners.

Finally, Manthan Series | Episode 3 (27 Nov) continues the conversation on Distribution Partnerships for Financial Inclusion, bringing together the Microinsurance Network, TruNord Technologies, Bimaplan, and Finhaat to explore practical pathways to last-mile reach.

Together, these stories reaffirm a simple truth: inclusion deepens when insurers, distributors, technologists, researchers, and communities design solutions with clarity, trust, and empathy. This convergence of product clarity, local reach, and digital speed will define the next wave of protection for millions.

Happy Reading!

Team Pulse

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DID YOU KNOW?



Environmental Insurance: Companies, particularly in industries like manufacturing, can buy pollution insurance to cover the cost of environmental cleanup and liability if they accidentally pollute land, water, or air.

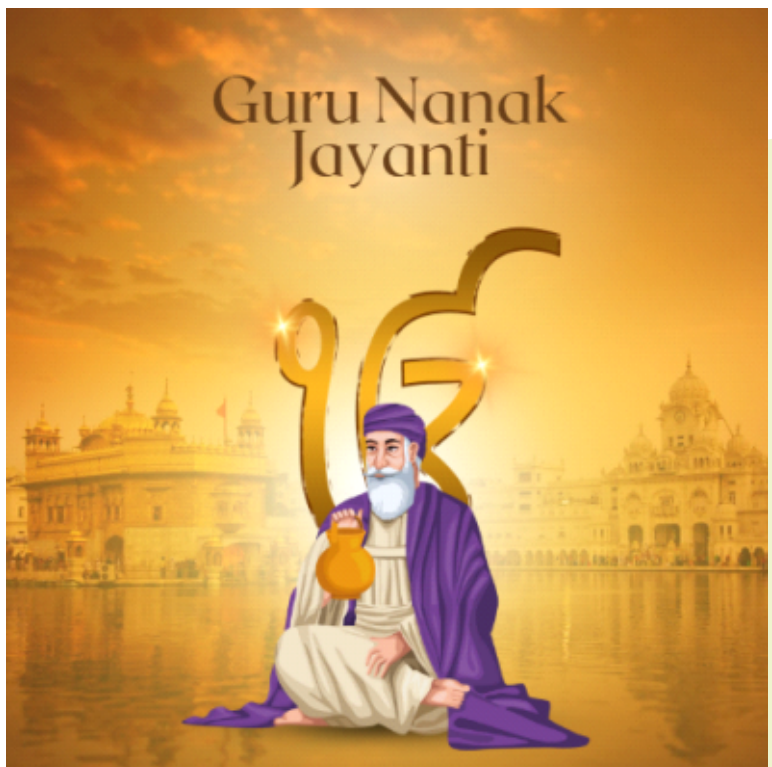
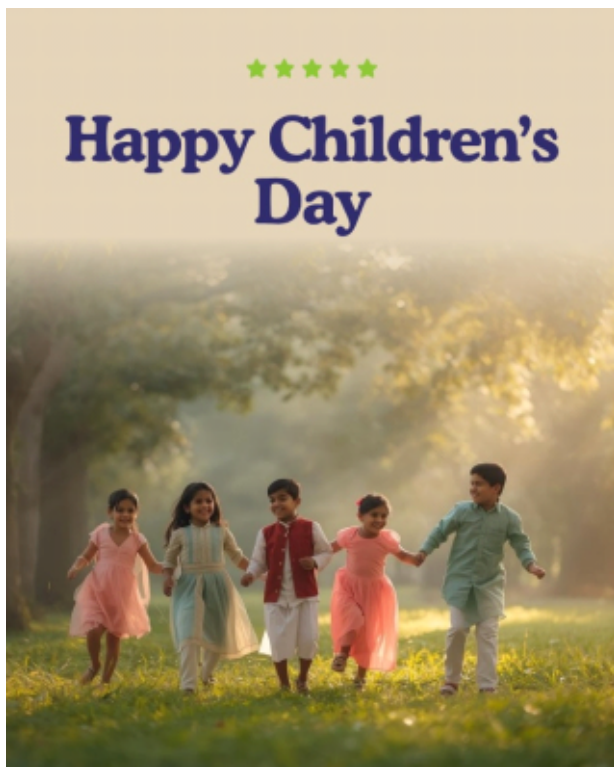
Source: [Environmental & Pollution Liability Insurance | Insureon](#)



Festive Corner

November brings two observances that beautifully reflect India's enduring spirit of wisdom and progress. Guru Nanak Jayanti, or Gurburab, celebrates the birth of Guru Nanak Dev Ji, whose timeless teachings on equality, compassion, and oneness continue to guide humanity toward harmony. Gurdwaras across the country come alive with prayers, hymns, and the warmth of langar, a collective act of service that reminds us of the strength found in community and inclusion.

Soon after, Nehru Jayanti, observed on November 14, honours Pandit Jawaharlal Nehru, India's first Prime Minister and a visionary who championed education, scientific inquiry, and the power of young minds. Celebrated nationwide as Children's Day, it calls attention to nurturing curiosity and innovation, the very foundations of an inclusive and forward-looking society. Together, these commemorations inspire reflection on the values of empathy, learning, and unity that remain central to India's journey of progress.



Insurer Insight



Mr. Venkat Patrudu With over two decades of experience in Indian insurance landscape, he has built his career on designing solutions that address real-world challenges RATHER than simply promoting products. Venkat's journey reflects a commitment towards shaping the industry from transactional selling to true client-centricity, introducing

innovative, problem-solving frameworks that prioritise customer needs and long-term risk resilience. As India's insurance ecosystem evolves to align with global standards, he continues to focus on bridging the gap-bringing world-class, practical, and meaningful insurance solutions to the businesses and individuals who rely on them most.

Introduction of the Organisation: Trovity Insurtech Broking is a new-age insurance advisory firm redefining how protection is delivered in India. In just three years, we have built a reputation by solving real client problems through tech-enabled risk analysis, transparent guidance, and faster, more predictable claims outcomes.

Our mission goes beyond policies; we aim to save 10,000 Disability-Adjusted Life Years (DALYs) every day by empowering people and businesses with insurance that actually matters. With intelligent dashboards, exclusion-based advisory, and process-driven service excellence, Trovity helps organisations move from confusion to clarity and from reactive claims to proactive risk resilience.

As part of our effort to transform the client experience, we are introducing a new mindset for the industry: "BEWARE to be AWARE."

This philosophy encourages customers to understand the risks, gaps, and exclusions hidden inside policies, because true protection begins with informed awareness, not assumptions.

We are also redefining KYC for the insurance era.

Traditionally known as Know Your Customer, we believe the future lies in Know Your Claim. By helping clients understand how claims work, what gets deducted, and what conditions apply, we empower them to avoid surprises and ensure smoother claim outcomes when life hits unexpectedly.

At Trovity, insurance is not a product. It's an impact.

And our goal is to build a more aware, more protected, and more resilient India-one claim-ready customer at a time.

Website: <https://trovity.com/>

Mr. Venkat Patrudu

Director

Trovity Insuretech Insurance Services Pvt Ltd.

With your experience in insurance and reinsurance partnerships, how do you see collaborations shaping the future of the industry in India?

Collaborations are no longer a choice for the Indian insurance industry, and they are becoming the primary engine that will shape its future. As risks grow more complex, from climate and cyber to supply-chain and health uncertainties, no single player has the depth or agility to respond in isolation. Insurers, reinsurers, brokers, insurtech platforms, data specialists, and even non-traditional partners must now operate as a connected ecosystem rather than independent silos.

Reinsurers contribute global risk intelligence, advanced modelling, and innovative product frameworks that help India leapfrog traditional structures. Insurers bring local market scale, distribution strength, and regulatory alignment. Brokers and Insurtech's add the missing layer: client-centric design, transparency, and technology-enabled execution. When these strengths converge, we create solutions that are not only technically stronger but practically more relevant to today's customers.

This collaborative approach will drive three major shifts in India:

Smarter, future-ready products that respond to new age exposures like carbon, parametric risks, digital infrastructure, and climate-linked events.

Cleaner, faster claims experiences, where data sharing, digital workflows, and co-created protocols reduce friction and rebuild trust.

Heightened risk awareness and prevention, where insurers and reinsurers jointly invest in analytics, monitoring tools, and predictive models to reduce losses before they occur.

Most importantly, collaboration will humanise the industry again. By combining global expertise with local understanding and technology-driven clarity, the sector can finally move from a product-selling mindset to a genuine risk-partnership approach.

The future of Indian insurance will not be defined by individual capacity, but by collective capability. Collaboration is the catalyst that will expand protection, increase penetration, improve outcomes, and ultimately redefine how customers experience insurance in India.

Paisaplan' s Trovity platform simplifies buying, claiming, and managing insurance. What key challenges did you face while building it?

Building Paisaplan' s Trovity platform came with a unique challenge: we wanted to make Exclusions and Claim Illustrations the centrepiece of the user experience. This was intentional, because in India, insurance disappointments almost always arise from what people

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don't know and not what they do. Yet this is exactly the part of the policy the industry places at the bottom of the conversation. Turning these into our USP required us to solve several deep-rooted system issues.

The biggest hurdle was data complexity. Exclusions in India are written differently by every insurer, across every product, and often buried inside dense, legal-heavy documents. To simplify this, we had to build our own exclusion-mapping engine-standardizing hundreds of policy formats, identifying critical gaps, and converting legal language into simple, client-friendly explanations. This took months of manual verification, policy-by-policy analysis, and constant refinement to ensure 100% accuracy.

Claim Illustrations were an even bigger challenge. There is no standard format for how a claim is calculated, what gets deducted, or what factors influence the final payout. To solve this, we partnered with multiple insurers, studied real claim scenarios, and created a logic engine that shows customers-before they buy-how a claim may actually play out. It required building hypothetical models, integrating rule-based calculations, and ensuring the illustrations remained realistic, not marketing-driven.

We also had to redesign customer behaviour. Most buyers skip the fine print. Our platform had to make exclusions impossible to miss and claim consequences easy to understand, without overwhelming users. Achieving this balance meant multiple UI/UX iterations and testing the experience with real clients, CFOs, HR teams, and retail users.

Behind the scenes, converting these insights into a seamless workflow like renewals, claims tracking, alerts, documentation, and analytics required deep operational restructuring. We built processes that were previously dependent on human judgment and converted them into trackable, tech-enabled flows.

In the end, our toughest challenge was also our greatest breakthrough: transforming the most feared parts of insurance - Exclusions & Claims, into our biggest value proposition. With Trovity, clients don't just buy a policy; they buy clarity, predictability, and peace of mind. And that's the real innovation we wanted to create.

How can platforms like Paisaplan help expand microinsurance access for financially underserved and vulnerable communities?

Expanding microinsurance access to financially underserved and vulnerable communities is one of India's most urgent priorities and aligns strongly with the national vision of "Insurance for All". Platforms like Paisaplan can play a transformative role by bridging the long-standing gaps that have prevented meaningful penetration in these segments. Our mission is not just to sell low-cost insurance, but to protect policyholders' interests and build a transparent, trustworthy, and accessible insurance ecosystem for every citizen.

The biggest barrier for vulnerable communities is not **affordability**; it is lack of clarity and confidence. Most first-time insurance buyers do not understand policy

wording, exclusions, waiting periods, or claim conditions. This often results in disappointment at the time of claim, which discourages entire communities from participating in insurance again. Paisaplan addresses this challenge by simplifying the most confusing parts of insurance. Through easy-to-read exclusion summaries, claim illustrations, and visual explanations, the platform ensures users know exactly what they are covered for and what they are not. This empowers them to make informed decisions are an essential step toward protecting policyholder interests.

The second major challenge is **accessibility**. Traditional microinsurance distribution heavily depends on physical paperwork, agent availability, and manual processes, which simply do not scale in low-income areas. Paisaplan's digital-first architecture mobile onboarding, vernacular content, paperless KYC, assisted sales workflows, and low-bandwidth interfaces makes insurance available at the last mile. Whether through NGOs, SHGs, MFIs, CSCs, or local digital volunteers, Paisaplan can reach communities that have been invisible to legacy distribution models.

Third, **trust** must be rebuilt for microinsurance to succeed. Many vulnerable households avoid insurance because they doubt whether claims will ever be paid. Paisaplan directly addresses this by offering transparent claim tracking, document checklists, step-by-step guidance, and automated reminders that ensure the policyholder is never left alone in the process. When claims, no matter how small, are settled smoothly, it builds trust that spreads quickly across communities.

Fourth, the platform enables better product design for underserved populations. By analysing behavioural data, claim patterns, and localised risks, Paisaplan helps insurers develop community-specific microinsurance solutions for income protection for daily-wage earners, micro-health covers, gig worker safety nets, weather and crop micro-covers, and affordable accident plans. This closes the mismatch between what people actually need and what traditional products offer.

Fifth, Paisaplan strengthens policyholder protection through transparency and accountability. By standardising policy information, highlighting exclusions clearly, and offering claim scenario models, the platform ensures buyers are not misled or oversold. This aligns perfectly with the regulators' focus on policyholder interest and responsible distribution.

Most importantly, platforms like Paisaplan become enablers of the nation's "Insurance for All" mission. They democratize access, simplify complexity, protect consumers, and provide a scalable infrastructure to ensure every Indian, regardless of income or geography which can gain access to meaningful financial protection.

For vulnerable communities, microinsurance is not just a financial product, it is a lifeline. And with the right digital backbone, it can finally reach every household it was meant to protect. Paisaplan's purpose is to be that backbone, ensuring protection, dignity, and fairness for all policyholders as India moves toward universal insurance coverage.

Distributor Insight



Mr. Suresh Kumar Pitta is a seasoned leader in the insurance broking industry, with extensive expertise in shaping innovative insurance solutions, driving financial inclusion, and strengthening governance within the sector. He focuses on delivering impactful services to diverse and underserved communities,

guiding initiatives toward sustainable growth and excellence in the microinsurance and financial services ecosystem.

Introduction of Organisation: Spearhead Insurance Broking Private Limited is a dynamic insurance brokerage firm based in Hyderabad, Telangana, established in 2013. The company specializes in providing comprehensive insurance solutions and advisory services, bridging the gap between insurers and clients with a focus on innovation, compliance, and customer-centricity. Guided by experienced leadership, the firm is committed to expanding access to financial protection and delivering impactful services across diverse and underserved communities in India.

Website: <https://spearheadinsurance.com/>

Distribution remains a major hurdle in microinsurance. What channels or partnerships are being explored to ensure reach and trust among low-income communities?

Reaching underserved communities is one of the biggest challenges in microinsurance. Trust is the most valuable currency. Insurance is not just a product; it's a promise, and for communities that have historically been excluded from financial services, earning trust is as important as delivering coverage.

To bridge this gap, strong partnerships are built with local NGOs, microfinance institutions, and community groups, which already have credibility within these communities. These collaborations allow insurance offerings to be received more positively. Beyond partnerships, education plays a crucial role. Many people don't fully understand how insurance works or why it matters, so workshops, awareness campaigns, and interactive sessions help communities see insurance as a practical tool for protection rather than a bureaucratic process.

Technology complements these efforts. Mobile-based platforms simplify policy management, making products more accessible, while agent networks provide the personal touch that first-time insurance buyers often need. By combining trust, education, and technology,

Mr. Suresh Kumar Pitta

Managing Director
Spearhead Insurance Broking Pvt Ltd

microinsurance can reach even the remotest areas, creating meaningful and lasting impact.

What inspired entry into the microinsurance space, and how are products identified and designed to serve the financially underserved?

The motivation comes from a commitment to financial inclusion. Millions of households remain financially vulnerable because traditional insurance products do not address their needs. There was a clear need for solutions that are affordable, simple, and relevant to people's everyday lives.

Designing meaningful products begins with direct engagement with communities. Listening to households, understanding their challenges, and studying their risk exposures are central to creating tailored solutions. Insights from these interactions, combined with data analysis and collaboration with industry and technology partners, guide the development of products that are practical and impactful.

For rural areas, livelihood insurance for farmers or health microinsurance covering recurring small expenses can be life changing. In urban low-income communities, short-term health and accident policies provide peace of mind to family's dependent on daily wages. The focus is always on empowerment: insurance should help communities manage risks rather than feel like an added burden. Alongside protection, building financial literacy and trust ensures communities become more resilient over time.

The insurance sector in India is tightly regulated. How is innovation balanced with regulatory compliance while continuing to grow?

Navigating the regulatory landscape is essential for success. Compliance is embedded into every stage of operations from product ideation to delivery ensuring that innovation aligns with regulatory standards.

For example, digital microinsurance solutions need to be intuitive for first-time users while fully adhering to regulatory requirements. By integrating compliance from the design stage, it becomes possible to scale solutions quickly, reach new communities, and maintain trust with both clients and regulators.

Innovation and regulation are not opposing forces. Compliance provides confidence and credibility, while creative solutions allow underserved populations to access protection tailored to their needs. Balancing growth, innovation, and adherence to regulations ensures that microinsurance solutions are responsible, impactful, and sustainable.

Tech Insight



Mr. Zen Maddala A technologist and entrepreneur at heart, he is driven by a passion for solving real-world challenges at the intersection of risk, resilience, and digital infrastructure. Over the past decade, his work across sectors - from payments to public systems - has reinforced a critical truth: climate volatility is not only an

environmental threat but a financial one. He founded Reesecure with a clear mission - to empower institutions to act faster, fairer, and smarter in protecting vulnerable communities from the growing impact of climate shocks.

Introduction of the Organisation: Reesecure is a climate risk intelligence company building the next generation of programmable climate resilience infrastructure. Our platform helps licensed financial institutions and insurers detect, validate, and respond to climate-linked risks in real time, especially in agriculture and rural lending.

We work with regulated lenders, insurers, and governments to pilot parametric products that align with compliance frameworks, while leveraging technology for faster, fairer climate payouts. Reesecure is headquartered in Singapore, with operations in India and partnerships across Asia and Latin America.

Website: <https://reesecure.com/>

Reesecure combines technology and risk management for climate resilience. What gap in the insurance ecosystem motivated you to start this venture?

The biggest challenge we identified wasn't just financial; it was timeliness and trust.

Across India and other climate-vulnerable regions, smallholder farmers and agricultural lenders face recurring shocks: floods, droughts, and cyclones that wipe out harvests, damage credit portfolios, and destabilize entire rural economies. Yet the financial protection meant to cushion these losses, through insurance schemes or government relief, often arrives far too late. By the time funds are processed and disbursed, the damage has already multiplied: crops are gone, debt cycles are broken, and families are pushed further into vulnerability.

Traditional insurance systems were built around post-loss verification, not pre-loss prevention. They rely on manual surveys, claims paperwork, and delayed

Mr. Zen Maddala

Founder
Reesecure

assessments that make sense for car accidents or factory fires, but not for fast-moving, systemic climate events. When a flood hits a village, farmers can't wait months for an adjuster. They need liquidity within days, or their entire season is lost.

At Reesecure, we saw an opportunity to completely rethink this. What if climate protection could move at the same speed as the storm? What if data, not paperwork, could trigger financial readiness?

That question became our mission: to design forecast-based, data-verified, and automatic climate protection that acts before disaster fully strikes. Using deeply insightful analytics, data from public and proprietary sources, and verified environmental indices, Reesecure helps institutions anticipate losses and prepare liquidity in advance.

But our goal goes beyond faster payouts. We're rebuilding the architecture of trust, connecting insurers, NBFCs, DFIs, and governments through transparent logic, verifiable triggers, and audit-ready systems that ensure everyone sees the same truth at the same time.

We believe the future of resilience lies in intelligent collaboration, where data, technology, and finance work in sync to safeguard the most vulnerable.

At Reesecure, we're not just improving insurance. We're redefining how societies respond to risk, making climate resilience timely, transparent, and truly inclusive.

How does Reesecure ensure trust and transparency for farmers and insurers using blockchain technology?

In climate-linked finance, trust isn't optional, it's the foundation. When a payout is delayed, disputed, or opaque, adoption collapses. Farmers lose confidence, lenders hesitate, and insurers face backlash. For climate-risk programs to scale sustainably, participants must believe that every trigger, every calculation, and every decision is transparent and verifiable.

At Reesecure, we address this head-on by embedding a permissioned blockchain layer into our platform architecture. This isn't about cryptocurrency or speculation; it's about verifiable integrity. The blockchain acts as a shared, tamper-proof ledger that records every critical event across the climate finance workflow: weather data inputs, parametric trigger activations, policy logic versions, and confirmation of disbursement instructions.

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Each record is time-stamped, cryptographically secured, and accessible to authorized stakeholders. That means:

Regulators can instantly trace how and why a trigger was activated.

Insurers and NBFCs can demonstrate compliance and prove that settlements followed pre-approved logic.

Farmers and field officers can verify that every decision adhered to the same transparent rules, no bias, no manipulation.

This level of auditability turns climate finance from a “black box” into a glass box, visible, fair, and accountable. It strengthens confidence not just in one transaction, but in the entire ecosystem.

We're not building blockchain for hype; we're using it as a governance and verification tool. It's what ensures that data cannot be altered, decisions cannot be rewritten, and trust cannot be faked.

In an era of rising climate volatility and financial uncertainty, transparency is the new trust. With Reesecure's blockchain-based verification layer, we replace ambiguity with clarity, giving regulators confidence, insurers credibility, and farmers the assurance that every decision is both visible and fair.

Because in climate-linked systems, true resilience begins when trust is built into the code itself.

What kind of partnerships or collaborations do you believe are most critical for scaling climate and agricultural insurance solutions in developing markets?

No one can tackle the challenge of climate resilience in agriculture alone. The problems are structural, cutting across finance, data, governance, and delivery systems. That's why the solutions must be collaborative, multi-actor, and systemic, built on shared infrastructure and collective accountability rather than isolated efforts.

At Reesecure, we've learned that real progress happens when the right players align around a common mission: making climate finance more timely, transparent, and trusted.

Financial institutions, banks, NBFCs, and rural lenders, bring reach and credibility. They already serve millions of smallholder farmers and are best positioned to innovate with credit-linked protection and parametric pilots that blend lending with proactive risk management.

Regulators and policymakers are key enablers. When they create space for sandboxed experimentation and adaptive compliance frameworks, innovation can move responsibly, at the speed of risk.

Technology and data providers supply the digital infrastructure: weather and soil data, remote-sensing feeds, satellite imagery, mobile alerts, and secure digital payment systems that connect early warnings to real-world action.

Development institutions, DFIs, climate funds, and multilateral agencies, play the catalytic role of co-funding early pilots, anchoring blended finance, and helping bridge private and public capital.

Local Agri-networks and Farmer Producer Organizations (FPOs) close the loop. They bring the voice of the farmer, ensure last-mile execution, and help build community trust, the ingredient no algorithm can replace.

Reesecure's role is to be the digital connective layer, a platform where all these actors can plug in, collaborate, and coordinate seamlessly.

We're building technology, but the true transformation lies in the ecosystem we help unlock where finance, data, and community resilience converge to make climate protection not just possible, but scalable.

Because solving systemic problems demands systemic solutions, and the only way forward is together.

Research Paper

Dr. K. Samuel Sudhir, PhD

Principal of Ardent Degree College

A Microfinance in India: Its Role in Financial Inclusion and Socio-Economic Transformation



Microfinance in India serves as a powerful instrument for financial inclusion and poverty reduction, offering credit, savings, and insurance to low-income populations. Originating in the 1990s through Self-Help Groups (SHGs) and Microfinance Institutions (MFIs), it has become vital in empowering women and fostering rural

entrepreneurship.

Literature Review

Scholars highlight microfinance as a catalyst for socio-economic development. Inspired by Yunus's Grameen model, microfinance empowers marginalized groups through access to collateral-free credit, promoting self-reliance and poverty alleviation.

History and Evolution of Microfinance in India

From the cooperative movement (1950s–1980s) to the emergence of SHGs (1990s) and growth of MFIs (2000s), microfinance expanded rapidly. The 2010 Andhra Pradesh crisis prompted regulatory reforms by the RBI, leading to stronger governance. Since 2015, the sector has embraced digital transformation, with MFIs evolving into Small Finance Banks (SFBs) like Bandhan and Ujjivan.

Major Institutions and Models of Microfinance in India

NABARD, MFIs, SHGs, NGOs, and Cooperative Banks form the ecosystem.

Key models include:

- ❖ SHG–Bank Linkage Model (SHG-BLP) – linking savings groups to banks.
- ❖ MFI Model – direct group lending through NBFC-MFIs.
- ❖ Joint Liability Group (JLG) Model – collective loan guarantees.
- ❖ Cooperative Model – community-owned credit systems.

Analysis and Discussion

Microfinance has reached over 1.2 crore SHGs and 14 crore households (NABARD, 2023). The MFI sector's

loan portfolio exceeds ₹3.6 lakh crore (FY2024), contributing to entrepreneurship and women's empowerment. Challenges include high interest rates, repayment stress, and the digital divide.

Impact of Microfinance in India

Microfinance has transformed women's participation in income generation, reaching 17.75 crore households and ₹4.09 lakh crore in outstanding loans. It drives rural entrepreneurship, financial inclusion, and poverty reduction, though borrower indebtedness and limited financial literacy remain concerns.

Technological Innovations and the Role of AI in Microfinance

AI enhances credit assessment, product personalization, and financial literacy. By analysing alternative data, AI improves risk management and enables customer-centric services. Chatbots and mobile tools foster responsible borrowing and inclusion.

Conclusion

Microfinance has become a pillar of India's inclusive growth-empowering women, creating livelihoods, and bridging formal-informal finance gaps. Yet, disparities persist across regions and literacy levels. Strengthening borrower education, expanding digital access, diversifying products, and reinforcing regulation can ensure sustainable, equitable development.

For more Information, Please Contact :

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Disclaimer: The MicroInsurance Innovation Hub (MIIH Foundation) is a not-for-profit organization constituted to promote social welfare or charitable purposes as referred to in Section 2(15) of The Indian Income-tax Act, 1961. It holds provisional approval under Section 12(A) and Section 80(G) of The Indian Income-tax Act, 1961 and is registered as a Company under Section 8 of The Indian Companies Act, 2013. Note: The details and information provided in the Research Paper have been supplied by the respective company, and MIIH Foundation does not assume responsibility for the accuracy or correctness of the data.

Impact Study



Key Segment:

- Currently we cover all our loan clients and co-applicants for their life.
- We offer Medical and Accident insurance to our staff.
- We intend to explore other insurance products for our client asset and health insurance in future.
- We are exploring cattle insurance to cover the risk towards Agri-Allied product.

Target Segment:

MSME Customer
Agri and Allied
Personal Loan segment

Product Offering:

The target segment includes rural and semi-urban micro and small entrepreneurs and their spouses. Velicham primarily provides financial services (secured & unsecured loans) to these households. Life insurance and other insurance products are offered as secondary protection to safeguard families against unforeseen risks. Another segment targeted is Government/Private employees who require loans to meet family needs such as housing, education, and health.

The target segment we cover are financially excluded households and the insurance penetration is less than 5% among our target segment, leaving many of these entrepreneurs vulnerable to life and dependent families. As part of our vision to build family prosperity we strongly feel just providing loans is not sufficient as these segments are more vulnerable and less covered by any formal insurance products.

Impact Created:

Over the past decade, Velicham has extended insurance coverage to all its clients, reaching more than 60,000 households - including borrowers and co-borrowers (Cumulative). Beyond financial support, this coverage provides families with added security and resilience during critical times, helping them sustain livelihoods, rebuild after setbacks, and protect their families.

Each insurance claim has brought real relief and resilience to families during critical times. By waiving off existing loan liabilities of deceased or affected borrowers, Velicham has prevented these families from falling into debt traps. More importantly, through new loan extensions to surviving family members, we have enabled them to rebuild their livelihoods, sustain their businesses, and even scale their operations.

This approach demonstrates Velicham's commitment not just to financial inclusion, but to building long-term socio-economic resilience among low-income and vulnerable households. The insurance program stands as a strong example of how responsible financial services can protect, empower, and uplift communities — ensuring that an unexpected loss does not derail a family's path to progress.

Company Name: Velicham Finance Private Limited

Founded Year: 2016

Founder/CEO: Mr. Nagarajan Muthukrishnan

Location: Chennai

Website Link: <https://velichamfinance.com/>

Tagline: Empowering families through financial services for prosperity

Future Strategies:

Looking ahead, Velicham envisions extending insurance protection to over one million customers within the next five years. Building on the success of our existing life insurance product, we aim to deepen and diversify our insurance offerings to provide holistic risk coverage for our clients and their families.

Our future roadmap includes the introduction of asset-based insurance products such as cattle insurance, MSME insurance, and health insurance, ensuring that every household we serve is protected against unforeseen events that could threaten their livelihoods or financial stability.

Through this comprehensive approach, Velicham seeks to create a safety net that secures both life and livelihood-protecting income-generating assets, safeguarding family health, and ensuring business continuity in the face of adversity. By doing so, we reaffirm our commitment to strengthening community resilience, promoting inclusive growth, and empowering families to move forward with confidence and dignity.

Conclusion:

At Velicham, we firmly believe that insurance is a cornerstone of financial inclusion, particularly for low- and middle-income households living in rural and semi-urban areas. These communities often remain most vulnerable to life shocks such as illness, accidents, or loss of livelihood, yet they have the least access to formal financial protection mechanisms.

Currently, life insurance penetration in rural and semi-urban India stands at around 20%, revealing a significant protection gap and untapped potential. The reach of other insurance products - such as health, livestock, or enterprise insurance - is even lower, leaving families exposed to financial distress during crises.

We see this as a tremendous opportunity to drive inclusive growth and resilience by expanding access to affordable and relevant insurance solutions. By integrating insurance into our broader financial services, Velicham aims to empower families to manage risk, protect their livelihoods, and sustain economic stability, ultimately contributing to a more secure and financially inclusive rural economy.

For more Information, Please Contact :

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Scan for our Website



BLOG Corner

From Activity to Assurance: Embedding Micro-Insurance in Everyday Behaviour



In an era of rising informal work and mobile connectivity, traditional insurance models fixed premiums for fixed terms often fail to meet the needs of low-income and vulnerable consumers. At Microinsurance Innovation Hub (MIIH), we believe in a new frontier: microinsurance embedded in everyday behaviour, offering flexible, activity-based protection aligned with how people live and work.

Why this matters:

- ❖ Over 4.7 billion emerging consumers remain outside formal protection systems.
- ❖ In India, rural microinsurance penetration is only 0.04%.
- ❖ Informal livelihoods depend on gig work, mobile use, and daily activity insurance must follow these rhythms.
- ❖ Embedding insurance in behaviour aligns protection with real risk moments, increasing relevance and simplicity.

What do we mean by “Activity-Triggered Microinsurance”?

Rather than paying yearly premiums, activity-triggered microinsurance links cover to user actions like working, commuting, or traveling.

Examples include:

- ♦ Delivery riders covered during active work hours.
- ♦ Commuters insured per ride or trip.
- ♦ Freelancers paying micro-premiums (₹10–₹30) per task via partner apps.
- ♦ Device or service-linked insurance activating only when used.

Why this product is still uncommon (and why it's an opportunity)

Most microinsurance remains “always-on,” unsuitable for informal workers. Barriers include lack of behavioural data, digital triggers, and regulatory clarity.

Yet, this gap presents an opportunity to create relevant, frictionless, behaviour-linked products for underserved segments.

Designing the Microinsurance Innovation Hub Product: “Work & Move MicroCover”

Target: Informal/gig workers, device users, commuters.
Trigger: Defined activity (job start, app use, ride booking).
Coverage: Accidental injury, device damage/loss, daily income replacement.

Premium: ₹10–₹30 per activity.

Distribution: Embedded via gig platforms, wallets, mobility or telecom partners.

Digital-first: Activation, tracking, and claims via mobile.
Behavioural Incentives: Safer behaviour earns lower premiums or credits.

Impact Metrics: Uptake, claim frequency, downtime reduction, and retention.

Why this matters – the potential impact

- ♦ Relevance: Protection when risk occurs.
- ♦ Affordability: Low micro-premiums.
- ♦ Behavioural change: Safer work and higher engagement.
- ♦ Financial inclusion: Strengthens economic resilience.
- ♦ Scalability: Digital models enable wide reach.

Real-World Signals and Statistics

- ♦ Embedded insurance now runs 87% via API integrations globally.
- ♦ Studies show embedded insurance boosts user engagement and trust.
- ♦ Only 1 in 5 emerging consumers currently use any insurance.

Key Considerations & Challenges:

Reliability of triggers, customer trust, pricing efficiency, regulation, and sustainability remain key. Yet digital platforms now make implementation feasible at scale.

Why microinsurance industry should build this now:

1. Fits digital and gig economy trends.
2. High social impact for informal workers.
3. Creates new business opportunities.
4. Builds brand differentiation through innovation.

Our suggestion on the Next Steps:

- ♦ Pilot with gig or mobility partners.
- ♦ Define clear triggers and pricing.
- ♦ Enable simple digital claims.
- ♦ Track KPIs and user outcomes.
- ♦ Scale to new cities and partners post-validation.

In summary:

Activity-triggered microinsurance combines relevance, affordability, and digital convenience. It's time to shift from pay-once-a-year to pay-when-you-move-building true resilience for the working billions.

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STAY TUNED

27th November, 2025

Manthan Series Ep 3: Distribution Partnerships for Financial Inclusion

Duration: 60 mins

Mode: Zoom

Moderator: – Matthew Genazzini, Microinsurance Network

Speakers

- ▶ Deepak Barsay – CEO, TruNord Technologies
- ▶ Vikul Goyal - Founder, Bimaplan
- ▶ Navneet Shrivastava – Co-Founder & CBO, Finhaatt



COMING SOON

GLOBAL CONFERENCE ON MICROINSURANCE

KEY THEMES



Innovation in Microinsurance solutions



Digital Transformation for Inclusive Coverage



Sustainable Practices in Microinsurance



Community Empowerment through Microfinance

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