

Check How The New Video Based KYC Will Work To Buy Insurance Policy

By **Vipul Das** | Updated: Monday, September 7, 2020, 9:30 [IST]



The insurance authority has recommended all insurance providers to use video-based identification process (VBIP) to know the customer (KYC) process in attempt to render the onboarding approval procedures simpler and reduce the documentation. Insurance providers will need to implement their own app and assign staff to do live VBIP for signing up, maintaining and checking an account-based collaboration with the applicant. Consequently, several banks and non-banking financial firms have carried out KYC video after Reserve Bank of India (RBI) authorized them to accomplish a customer's full KYC in this way in January this year.

How it will work?

The Insurance Regulatory and Development Authority of India (IRDAI) in a memorandum claimed the insurance company's designated official doing the VBIP for KYC will have to capture the video and take photographs of the individual introduce for verification and collect

the identity details via Aadhaar. The customer's live location or geotagging would be recorded to ensure the customer is actively available in India. The insurance company's designated agent would have to make sure the video is transparent and the individual is clearly identifiable in the video and the identity is not blurred in any way. The provider will have to make sure that the customer's image and identity information in the Aadhaar match the VBIP's customer undertaking with the specifics he provides.

In addition, the designated person or the provider would have to guarantee that the questions raised during video interactions are differed to determine that the video interactions are not pre-recorded but real-time. In the Covid-19 scenario, Pankaj Arora, MD and CEO, Raheja QBE General Insurance, claims that the video-based KYC for insurers would allow remote and easy onboarding of customers. "This will be a digitally transformed and streamlined user experience. Insurers would be able to cut operating costs while increasing their service industry's reach, profitability, and performance," he added.