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कौशल गुणवत्ता प्रगति

BFSI
BFSI Sector Skill Council of India
"An Initiative of NSDC"

Insight on BFSI Sector

Skill Gap Report &
In Demand Job Roles in BFSI Sector

BFSI

Sector Skill Council Of India

"A NCVET Recognized Awarding Body"

“ The more we give importance to skill development, the more competent will be our youth...”

– Shri Narendra Modi

Honorable Prime Minister of India

“Building skill capacity is a key to enhance productivity and drive the economy ahead...”

– Shri Dharmendra Pradhan

Hon’ble Minister of State
Ministry of Skill Development and Entrepreneurship

“Skill India is a gateway to opportunity and prosperity for youth...”

– Shri Rajeev Chandrashekar
Hon’ble Minister of State
Ministry of Skill Development and Entrepreneurship

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1 About BFSI Sector Skill Council of India

The BFSI Sector Skill Council of India (BFSI SSC) is a National Council Vocational Education and Training (NCVET) recognised Awarding Body. BFSI Sector Skill Council was set up to bring leading organizations of the BFSI industry together to create strategies and operational plans that will create Financial Literacy for all and standardized skill requirements for the various job roles in the BFSI industry. The skill council will also accredit well equipped service providers who will partner to disseminate the training. The skill council is seen by its stakeholders and partners as a nation-building activity with far reaching implications for social development and empowerment through financial inclusion. Great care is being taken to appropriately address the needs of the various industry verticals as well as the geographical regions of the country.

Vision

BFSI SSC strives to complement the existing vocational education system in fulfilling the vision of the our Honorable Prime Minister Shri. Narendra Modi of achieving Financial Inclusion; to promote usage of Digital Technology for doing all financial transactions, and have appropriately trained manpower in right quantity and quality across all levels on a sustained and evolving basis to meet the entire value chain's manpower requirement.

Mission

- Upgrade skills to international standards through significant industry involvement.
- Be a conduit of change through thought leadership, research, market intelligence and membership engagement.

Objectives And Goal

- To ensure promotion of Financial Literacy and creating Financial Awareness among different sections of the society across all age groups.
- Identification of skill development needs including preparing a catalogue of types of skills, range and depth of skills to facilitate individuals to choose from them.
- Development of a sector skill development plan and maintaining skill inventory.
- Determining skills/competency standards and qualifications and getting them notified as per NSQF.
- Standardization of affiliation, accreditation, examination and certification process in accordance with NSQF as determined by NSQC.
- Conduct skill-based assessment and certification for QP /NOS aligned training programmes.
- Participation in the setting up of affiliation, accreditation, examination and certification norms for the sector.
- Plan and facilitate the execution of Training of Trainers along with NSDC and states.
- Promotion of academies of excellence.
- Paying particular attention to the skilling needs of ST/SC, differently-abled and minority groups.

Ensuring that the persons trained and skilled in accordance with the norms laid down are assured of employment at decent wages.

2 Banking, Financial Services & Insurance Sector

Banking Financial Services and Insurance Sector is one of the important core industry which cuts through all other industries because its very nature of dealing with the financial matter of any individual or business entities. BFSI sector in India is valued at Rs. 81 trillion and is likely to become fifth largest in the world by the year 2020 and third largest by the year 2025. Banking, Financial Services and Insurance (BFSI) is set to grow exponentially in India due to the rising per capita income, the introduction of new products, innovation in technology, expanding distribution, networking and increasing customer awareness of financial products.

Digital Technology has facilitated the recent surge in growth of this sector. Online payment systems, cashless transactions, mobile banking, internet banking – technology has changed the face and form of modern banking. Geographically BFSI Sector is one of most wide spread but still it has a huge scope to further penetrate into the rural pockets of the Indian economy. Financial Inclusion remains one of the most important agenda of Government of India and also will be area of focus for different players in the BFSI Sector players viz Banks, NBFCs, Mutual Funds, Insurance etc.

The demand of skilled professionals in this sector is ever increasing. BFSI Sector Skill Council of India has presently identified and developed following Qualification Packs which are aligned with the present and future skilled manpower demand of the BFSI sector.

3 Skill Gap Study and Analysis in BFSI Sector

The Skill Gap Study in BFSI Sector conducted by BFSI SSC had resulted on identifying subsectors which would be the growth engines for BFSI sector for next 5 years. These subsectors are as follows:

1. The Banking subsector
2. The Insurance subsector
3. The Microfinance subsector
4. The Fintech subsector

3.1 The Banking Subsector

Banking is one of the largest employers in the entire spectrum of the BFSI sector with a total of approximate 14.80 lakh people employed directly as of 31 March 2022. The subsector is expected to have a workforce demand of approximately 15.93 lakh by the end of financial year 2022-23.

The stringency of regulations coupled with the pace of tech-driven solutions has been a harbinger of changing roles and upskilling. Institutions across the spectrum noted the importance of Data Analytics, Artificial Intelligence, Machine Learning to make businesses more robust and ensure strategic planning. Therefore, a growing need exists for increased professionals with such niche skills. With solutions such as e-KYC and linkages through Aadhar facilitating the onboarding process and the extended mediums of marketing through spread of social media, the sales and marketing teams need people with a combination of both sector knowledge and IT skills.

Post demonetization along with the rise of 'Digital India', there has been a surge in digital payment platforms and the banks have been working relentlessly to extend their business opportunities in the same field. Complementary to the digital shift of business, there has been a rise in the area of cyber security and risk. This area encompasses a mix of regulation and technology. In view of the same and based on the survey analysis, the roles which came out ranged from Sales and Relationship Executives, to Credit Officers, Financial Analyst, Data Analysts in the junior to mid-levels, the Chief Risk Officers, Data Scientists and Resolution Professionals in the senior and mid management levels. Given the novelty and the seminal standing that it has garnered for itself, the public sector banks are increasingly looking to hire laterally from the market.

Robust financial services sector is one of the key prerequisites for an economy to strive ahead. With an ambitious target of becoming a five-trillion economy, the Indian banking system has a crucial role to play and contribute to the growth story. With the rise of technological solutions and tectonic shifts in global economic trends together with considerable number of non-performing assets (NPAs), the challenges are aplenty. In the banking sector specifically, while several technologies have been introduced, it has been juxtaposed with several regulatory requirements mandated by the national and international regulatory bodies.

The role of technology and its strategic use in the sector has envisioned the broadening of the banking sector's parameters. Technologies such as Artificial Intelligence, Blockchain, Internet of Things (IoT) have an enormous potential in the sector. While these technologies have been present for a long time now, their use in the banking sector has increased manifold. With the changing modalities of the traditional banks to the open banking systems making a headway, there is a large universe of possibilities.

The adoption of watershed legislations together with the multitude of technological, operational and regulatory challenges that the sector faces, one of the stakeholders directly affected are the current and future workforce. With the traditional business models in banking sector undergoing a paradigm shift, considerable workforce transition is incumbent. From refurbishing conventional roles to the creation of new ones, the changes in the workforce is a compelling reality.

Growth Drivers and Challenges

The Indian banking system with its diverse spectrum of entities– public, private, cooperative, rural, has undergone several shifts in its procedures and operations.

The rise in disposable income has strongly influenced the growth in deposits. The footprints of the formal banking system has increased manifold with the deposits under Pradhan Mantri Jan Dhan Yojana (PMJDY). This trend is further reinforced by the Government's move to establish small finance and payments banks and integrate the large non-banking financial companies (NBFC-MFIs) to existing banks. Moreover, the banks are witnessing an average growth of CAGR 7.01 per cent for last couple of years with the assets of the public sector accounting for 66.03per cent of the overall asset base.

The recent mergers of mid-sized public sector banks into the large ones such as that of Oriental Bank of Commerce and United Bank to merge into Punjab National Bank, Syndicate Bank to merge with Canara Bank and Union Bank, Andhra Bank to merge with Corporation Bank and Allahabad Bank to merge with Indian Bank, are being projected as a move towards improving efficiency, governance and accountability.

In view of the current scenario where there is both a growth in assets in absolute returns together with the NPA being a major concern, shifts in the employment patterns also must be factored in. This is further complicated with the overarching role of technology and the digitization of services. However, the larger picture puts forth a rather dynamic opportunity which the country can and should reap and be future ready for the evolution of the banking sector.

Impact of Technology: Banking Subsector

The convenience of customers associated with technology and the avid use and availability of internet has had a significant role to play but the banking industry has warmed up to the technology with much caution.

Creation of a digital on-boarding and marketing solution helps in customer acquisition; however, retention is intrinsically linked with the ease with which the customers can navigate through the product offerings depending on their needs. Most of the banks that we surveyed have developed mobile iOS and android based applications for the customers. Moreover, today banks are also investing on non-conventional technologies for the development of their products and get greater insights into their customers spending behavior. Key public sector banks like Central Bank, Punjab National Bank to name a few have created their data analytics wings and increased their digital footprints.

Artificial Intelligence (AI) has also emerged as the 'new normal' for several banks. With the transition being made from customer care executives to the 'Bots', the use of AI has been accepted in a number of ways. Machine Learning, AI and customer analytics are purported to be the drivers in the field of client engagement. Around the world, banks are already diversifying to robo investing, consumer lending automation and the cash and securities transaction settlements. There are several banks including a few in India which have set up 'Technology' or 'Transformation' departments which are experimenting with these interfaces and platforms. Moreover, technologies like robotic process automation (RPA) and Blockchain have had a key impact on the banking sector. Blockchains specifically remove an entire overhead cost associated with the checking of the authenticity of transactions. In India after demonetization there had been a noticeable surge in the transactions associated with bitcoins. A good number of Indians are investing in bitcoins daily and claim that their platform will give users greater hold on their bitcoin purchase. However, with the RBI coming up with several prohibitive regulations for bitcoins, there has been a slump in the same.

Adoption of technology

In India, the use of technology has been slow but steady. From the adoption of customer relationship management (CRM) systems to Finacle and even Blockchain and Robotic Process Automation, banking has come a long way in the digital pathway.

With an intermixing of regulation together with the exigency in digitising customer experience, the interface of technology across the banking value chain has been multitudinous.

Emerging business models in banking sector

Technology and Banking - The Interface

Markets and Sales:

To increase the customer base and footprints of the organisations, the banks have started to reorient their marketing strategy. With rising competition and consumerism, the choice index for the prospective customers have expanded the burgeoning need for extensive marketing to attract them. The digital market has become a popular medium for engaging the customers. Using insights from the data available about a certain category of clientele, the banks are looping in third party firms to create digital campaigns for them. However, the strategy is quite different depending on the clientele base of the banks. "There is no need for carpet bombing for us as that leads to a lot of wastage of campaign effort, we have to look at more personalized interactions" said one of the Learning and Development head of a private mid-sized bank. Herein the need for the feet on street and marketing personnel on the go are still of utmost importance.

While marketing is one of the pathways of growth, the ease of access and customer on- boarding process is also of prime importance. Solutions like e-KYC and biometrics through Aadhar linking are slowly replacing paper work with digital records. The survey conducted during the study reveals that this digital solution has been embedded by the respondents who are large public or private sector banks. Out of the total banks surveyed spoke about their apps in the handheld devices which allowed seamless customer on- boarding and related market expansion.

Digital Payments and Transactions:

In India with the mandate of financial inclusion coming from the Government, there has been a surge in utilisation of technology and financial agents to ensure compliance. Globally, payments revenue has been growing at a CAGR of 6.6per cent since 2010, growing to be USD 2.42 trillion in 2027 outpacing the global nominal GDP growth. In Asia alone, total payments revenue grew at a CAGR of 12per cent.

Post demonetization, the local players like RuPay and Paytm have reported a surge in their revenues and volume of transactions. While the former's volumes were up by 2000per cent over the past two years the latter reported a surge of 900per cent over the same period. The Indian railway booking portal (IRCTC) has had a tie up with Paytm wallet and may bring over one crore Fintech user base annually. The setting up of the National Payments Corporation of India in 2016 became a decisive noting from the Government's side. Moreover, the Unified Payments Interface (UPI) payments volume grew to incorporate nine per cent of the total retail payments in the India. The establishment of the UPI and the digital wallets have leveraged the contact less payments and several banks have partnered with UPI to allow customers access the online payments without debit or credit cards. To bolster digital payments, the Government of India has started 'Digishala' a 24*7 channel which guides people on using digital payments modes. Tech giants like Facebook, Amazon, and their ilk have great brands, peerless capabilities in analytics and AI, and seemingly infinite quantities of data entering the payment platforms with lot of information about their customers than the banks. Hence, it is imperative the banks and financial institutions partner with these tech organisations and develop secure products and networks for ease of the customer and global business.

Cyber Security:

The increase in the use of AI automation and Big Data in the banking subsector is no longer a question of 'if'' but one of 'when'. Given that the major concerns are now of guarding against the risks and maintaining the privacy. In India as around the world, the Government has come forward and put in place systems like 'M-Kavach' and 'USB Pratirodh' developed by the Ministry of Electronics and IT, which still has several loopholes within them. The area of cyber security is still untapped and it is imperative that IT specialists align with policy makers and make the digital space safer and integrated space. Globally cybersecurity has gained importance and about USD 75 billion has been invested by the cybersecurity market in 2015, which is expected to reach USD 200 billion by 2022. Moreover the banks have been leveraging the biometric registers for enhancing their security technologies. Private banks have been partnering with startups for developing innovative security measures for protecting their customer interests and privacy.

Banks and financial institutions are leveraging these ideas to make their services more accessible. With partnerships being forged with wearable technology makers, banks are looking at making payments through watches and fitness trackers. However, several technology authorities believe the security collaterals of the same must be bolstered up. For banks, the 'disruptive technologies' have become more of an enabler. They have allowed a platform for addressing the persistent challenges of financial inclusion.

The technology and banking interface are undergoing a constant change. While banks like Axis are dealing with this by setting up Thought Factory-Innovation Labs, there are some public sector banks like Canara Bank which are experimenting with robots in their key branches. It is imperative the banks and financial institutions partner with the tech giants and develop secure products and networks for the ease of the customer and the global business. In view of the huge volumes of data that is generated in banking, the subsector is gearing up to curate insights for better business strategies.

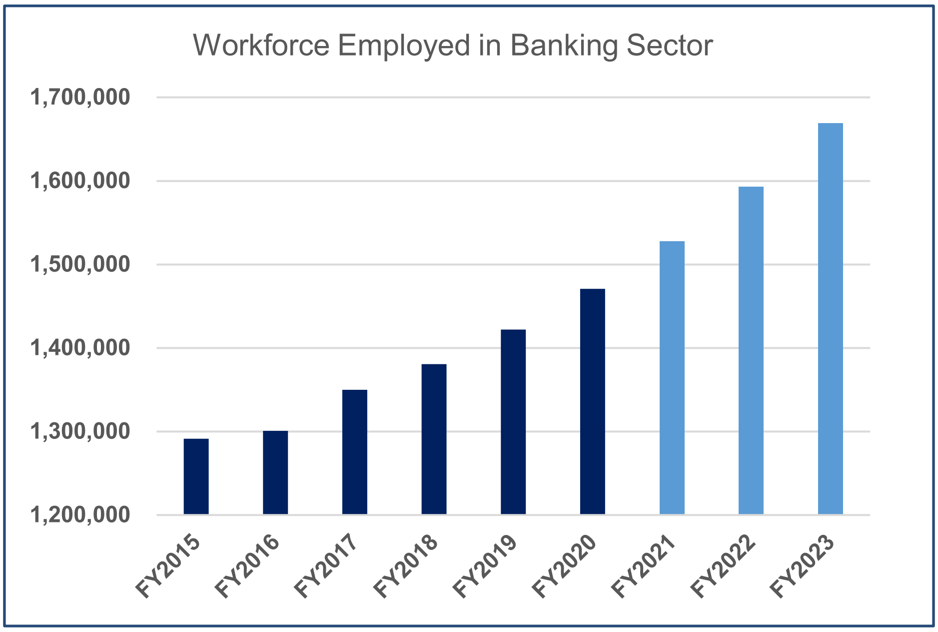
Incremental Workforce Demand Analysis:

The Banking industry is one of the largest employers in the entire spectrum of the BFSI sector, constituting close to 24.4 per cent of the total workforce. According to the RBI, there is data on three levels of the workforce, both in the public and private sector banks, namely Officers, Clerks and Subordinates.

While an analysis of the sectoral trends and the responses garnered from the study shows several key job roles becoming important soon, it is important that a data driven analysis of the current workforce is also

While the sector has been harnessing the potentialities of growth within its fore, the changing sectoral trends-from policies to markets with a deep intervention of technology, has a need for revamping the existing and the highly skilled workforce in the sector.

Workforce Estimation till FY 2023



The total workforce in Banking sector is expected to increase to 16.69 lakhs by FY2023

Apart from deploying a proportion of the new workforce in the new job roles of emerging technologies, new jobs will also be created in the IT sector driven by the growth of banking industry. This is due to the leading growth of Fintech and the growing comfort of the banks to outsource certain aspects of their business to third party service providers. Hence, the total incremental workforce requirement to be generated by banking industry would be greater than 2.49per cent as estimated above.

Skills and the Banking Subsector – An Analysis

Introduction

While secondary research gives an overarching understanding of the sector, a primary survey validates and consolidates the viewpoints garnered through the former. With the multitude of interviews conducted with senior leaders in the varied organizations across the sector, the following insight on the key job roles in the sector were noted. The findings around the various questions have been mapped together depending on their relevance in the following areas:

- Existing and Emerging Job Roles and Skills
- Diversity and Inclusion Quotient in the sector.

Key Verticals of Hiring - Incumbent and Emerging

In view of the changes that the sector has been witnessing—technological, regulatory and macroeconomic, the human resource requirements have been changing in similar manner. Some of the key verticals of hiring for the banking sub sector are represented in the graph below. The fast-emerging verticals like Data Analytics, Cybersecurity and Artificial Intelligence are under expansion to keep pace with the technological transformation.

A) Top hiring departments

As per respondents, the top hiring departments in Banking subsector are

1. Branch Operations
2. Information Technology & Infra
3. Credit & Risk
4. Retail Distribution

B) Fast Emerging Verticals

Existing and Emerging Job Roles and Skills

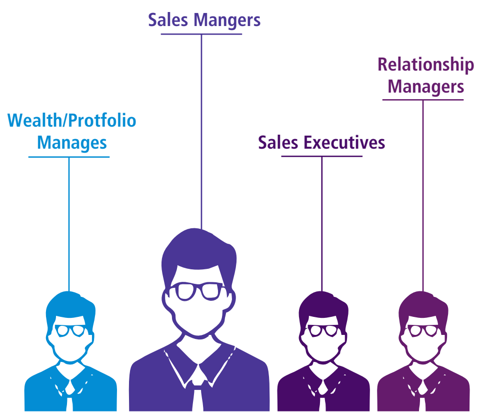
With heightened expectations of the millennials driving the product offerings and the increased need for customisation, there is an overall need for increasing the digital footprints of the new joiners across all levels. Some of the leading private banks in the country have started using an AI based tool for the hiring. Based on the key words, they can shortlist the candidates who are suitable for an interview. This has led to reduction of work for several junior HR personnel who would be scanning documents to check for the eligibility of the match. "As per an in-house study that we did, more than 90per cent of the hires selected by the AI tool were the right match for the profiles that we were looking for" said, the learning and development (L&D) head of a big private bank in the country. Some of the key service lines of hiring are noted below.

Sales

Most of the entry level jobs in the banks are related to sales and marketing–the feet on the street force. Moreover, it is now imperative that the sales force has enough knowledge of digital skills together with the required communication skills for them to interact and convert customer acquisition rates. However, with a low salary, this is often a fluid space of high attrition rates creating constant movement of new people. Hence Current Account Savings Account (CASA) sales force is one of the most dynamic part of the employee base of the banks.

Together with sales force, another genre which is increasingly becoming popular is that of Wealth Managers and Portfolios Managers. Given that a large part of the mundane and mass banking queries is being handled by RPA, the banks can now focus their attention on some of key customers that they have, primarily among the High Net worth Individuals.

A) Key Job roles in the sales vertical



B) Key skills required in the sales team

The roles of the Portfolio/ Wealth Manager have emerged very strongly. "We have close to three batches annually only for the portfolio manager roles and close to 80-85 per cent placements" said one of heads of a leading skills training partner in the country. Usually fresh graduates, the pay scale of these employees while not being very high, the role has a steep learning with additional nuances of the sales and marketing that they understand through their stay with the organisation. There is also an increasing demand of candidates specialised in key areas like credit, treasury and forex. Although these are generally needed for middle-level employee base, but it makes for an unavoidable and ever-increasing space for recruitment encouraging some of the largest public sector banks to hire them laterally.

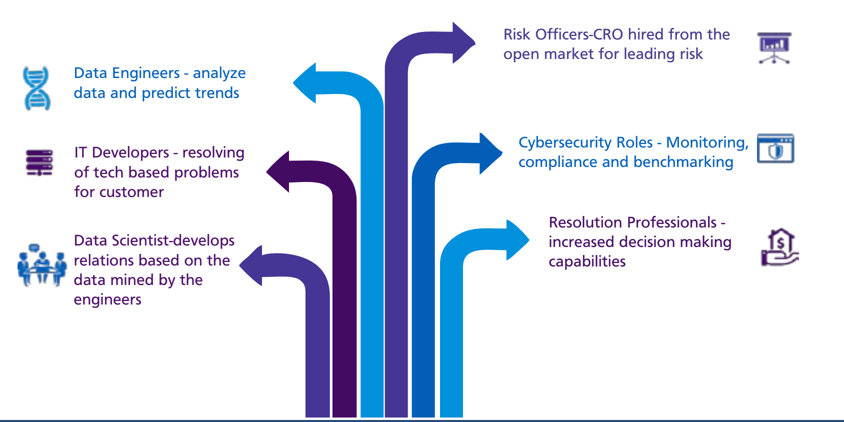
During the interviews, the sector leaders also mentioned that while the above-mentioned job roles have been in demand, that several skills ranging from communication to digital skills are areas of great necessity. Close to 60 per cent respondents said that given the highly regulated subsector, the adoption of apprentices under the NAPS is possible specially in the sales domain.

Data Analytics and Risk

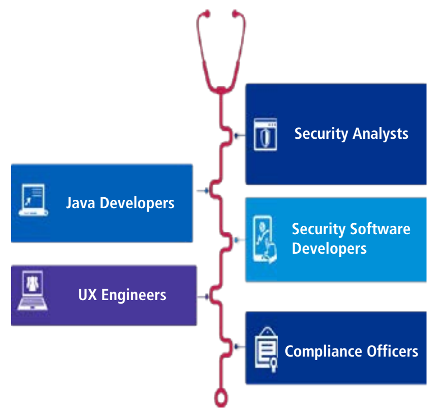
The interlinkage between data and risk has together with the coming in of the 'gig economy', the need of leading the practice with experience has come to the spotlight. A recent circular for the banking subsector allowed those in the public sector to hire their Chief Risk Officers directly from the market. This is a step towards recognising the need for risk experts. While they are experienced professionals their role especially in the public sector bank is new.

In view of this, the Institute of Banking Personnel Selection while earlier focusing largely on generic roles have started conducting special examinations for the data roles. Some banks like IDBI have also looked at NICT for workforce and have commissioned for human resources through their examinations.

A) Key Job Roles and Skills needed in Data and Risk Teams



B) Key Job Roles and Skills needed in Cyber Security and IT



Vertical	Job Roles	Level	Skills Required
Sales	Sales Executives	Junior	✓ Digital Skills ✓ Communication and Interpersonal Skills ✓ Knowledge of Products and Benefits ✓ People Management Skills
	Sales Managers	Middle	
	Relationship Managers	Junior/Middle	
	Wealth / Portfolio Managers	Middle/Senior	
Data Analytics, Risk and Recovery	Data Analyst	Junior	✓ Financial Modelling ✓ Writing and Communication Skills ✓ Risk Management ✓ Statistics and Probability ✓ C++/Java/R/Python/Hadoop ✓ Recovery, Insolvency (IBC), Legal knowledge
	Data Scientist	Middle	
	Big Data Engineers	Junior/Middle	
	Risk Officer/Credit Officers	Middle/Senior	
	Resolution Professional	Middle/Senior	
Cyber Security and IT	Developers	Junior/Middle	✓ Technical knowledge on platforms and languages ✓ Knowledge of Data Structures and Algorithms ✓ Cybersecurity ✓ Problem Solving Skills
	UX Engineers	Junior/Middle	
	Security Analysts	Middle	
	Compliance Officer	Middle	
	Manager cyber security	Senior	

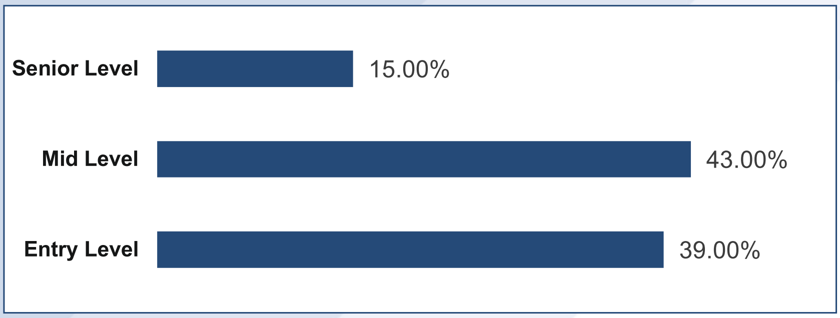
The Second Leap: Up skilling current workforce

Given the complexities associated with the banking sub sector, the changes in the skills and the roles have been transitional. While the new recruitments have been harboring the need for new age skillsets, the existing workforce is also being pushed to further developing and enriching their existing skill sets. The footfall in the bank branches have drastically fallen since the previous years and therefore the need for manning of more branches is not required. "In 2010-2014, the average footfall in a bank branch would be anything close to 200-250 people at 10 am, however in 2020, the footfall at the same time had fallen to 20-30," said one of the key officials of a public sector bank. While some of the traditional roles of the bank tellers and cashiers are slowly becoming redundant, they are also metamorphosing to include key sales skills for the banks to capitalise on every chance of interaction with their customers.

While most of the public sector banks have training colleges for their staff and inductees, the private sector banks are partnering with some colleges for their trainings. Moreover, with the advent of technology, several banks have partnered with online platforms like Upgrad, Coursera for creating and delivering courses for the bankers to learn and upskill. Along with these partnerships, most of the banks have online learning apps which allow self-paced learning. To drive the upskilling agenda, the banks have used the carrot and stick approach. While reimbursing course fees, there are banks which give additional marks for upskilling in the employee's performance appraisal. In one of the public sector banks, the staff can get certified in risk training from either IIBF, NIBM and Global Association of Risk Professionals (GARP). And after passing the course successfully, they are reimbursed for it.

Even the training partners in the country have looked at providing these skill training programmes, sometimes in partnership with foreign universities enhancing their value add. Times Professional Group, for example partners with The Wharton Business School, MIT to name a few in co-creating modules for executive education and certification from these schools. Given the large number of retirements in the mid management and senior management levels, the need for preparing the roles in not just leadership but also key aspects of Industry 4.0 are crucial. According to the interviews conducted, most of the respondents also highlighted this lacuna and wanted this to become a focus area for the Government.

Levels at which skill gap exists



Majority of the workforce skill shortage was identified at the entry and mid-level

Diversity and Inclusion Quotient in the Subsector

The diversity and inclusion angle are quintessential to ensuring the health and vitality of any organisation. The banking subsector has a healthy women employee strength and is expected to remain in the same ratio over next ten years.

Regarding PwDs, most of public sector banks conform to the government norms of reserving 3 per cent of their jobs for them. Most of the private sector banks are working on developing their internal policies with respect to PwDs. Some of the key job roles where the current hiring of PwDs candidates is being done are listed below.

<table>
<tr><th>Name of Job Role</th><th>Level</th><th>Target Disability</th></tr>
<tr><td>Data Entry Operator</td><td>Entry</td><td rowspan="3">Visual Impairment
Locomotor Disability
Hearing Impairment</td></tr>
<tr><td>Back Office Operations Executive</td><td>Entry</td></tr>
<tr><td>Branch Operations Officers</td><td>Entry to Middle</td></tr>
</table>

3.2 The Insurance Subsector

Being the largest employer in the BFSI industry, the insurance subsector employs close to 56 per cent of the total workforce in the industry. The insurance subsector has a total workforce of more than 35 lakh individuals, as on 31 March 2022, including both the direct employees and agents for the life and non-life sub-sectors. It is estimated that insurance subsector would employ approximately 43.20 lakh individuals by the end of financial year 2022-23.

While the market scenario is skewed towards the Life Insurance Corporation of India, many private players have a sizeable hold especially in the domain of non-life insurance. Starting from the permanent offices to disintegrating its business models further to rely more on the agency-driven structure and bancassurance structure, the subsector has undergone multiple changes. Given the protracted service delivery timelines for the subsector coupled with the complexities of risk and underwriting of it, the potential role of a divergent range of technologies is vast. From Data Analytics to Artificial Intelligence (AI) being used in customer interactions and tracking of life metrics respectively to using blockchain in underwriting risk processes, technology has been more of an enabler than a disruptor.

The introduction of these tech-based dimensions together with the range of the pressing regulations have also led to new and revamped job roles in the sector. The sector leaders apprised that close 80 per cent of their workforce is driven by sales wherein they said that reliance on effective communication and selling skills coupled with product knowledge is of primal importance. However, they also mentioned that there is a growing need of alliance managers and relationship personnel who are primarily required for liaising and furthering the bancassurance models. Most of the tech-based solutions are being implemented in the workstream of risk and security wherein the complexities of the platforms require the roles of Risk Officers, Data Scientists and UX Engineers to name a few.

Macro and micro economic trends forecasting and aligning has become one of the major challenges for any services including the financial ones. The entire Banking, Financial Service and Insurance (BFSI) sector has been in the cusp of metamorphosis with the advent of technology and heightened customer expectations.

Currently there are 58 insurance organisations in the country, 24 life insurers, 33 general insurers including health insurers and 1 re-insurer.

According to the data published by Swiss Re, in life insurance business, India is ranked 10th among the 88 countries. The market share of life and non-life insurance has diversified vastly capitalising on the preferences and backgrounds of the customers and tailoring their products for the same. The growth story is juxtaposed to the insurance penetration percentage which remains at 3.7per cent till 2022. Hence the market potential for the firms, both public and private, is immense and needs to be cultivated further.

To get the uninsured under the insurance architecture, the Government has made considerable efforts. Schemes like the Pradhan Mantri Suraksha Bima Yojana coupled with the inroads made in the crop insurance would be a major driver in addressing the need for increasing the penetration of the insurance. Today given the challenges that the world and the country faces, there has been a diversification of the products and general offering by the companies. The promising growth trends together with the changing technological insights is changing the face of the industry and the nature of the population in place.

Growth Drivers and Challenges

Major socio-economic and environmental changes along with the robust transformation of technology is a growth opportunity for the subsector. India continues to be a low penetrated market compared to the global average at 6.13 per cent. Some of the growth drivers for the subsector globally and nationally are:

Changing Nature of the Economy: The rise of the collaborative consumption of goods and services has given rise to the 'sharing economy'. By using personal platforms for commercial purposes intermittently without any definitive time period has thrown up new challenges for the insurance subsector. Companies like Uber, AirBnB and Nestaway have created a gamut of opportunities in this prototype of business.

The risks associated with the premium and the underwriting associated must be modified to support instantaneous risk assessment and pricing, while at the same time avoiding cost overruns. Here, again the need for real time data and overall history of the person more than the health history and age must be captured for the effective calculations and disbursement of the same.

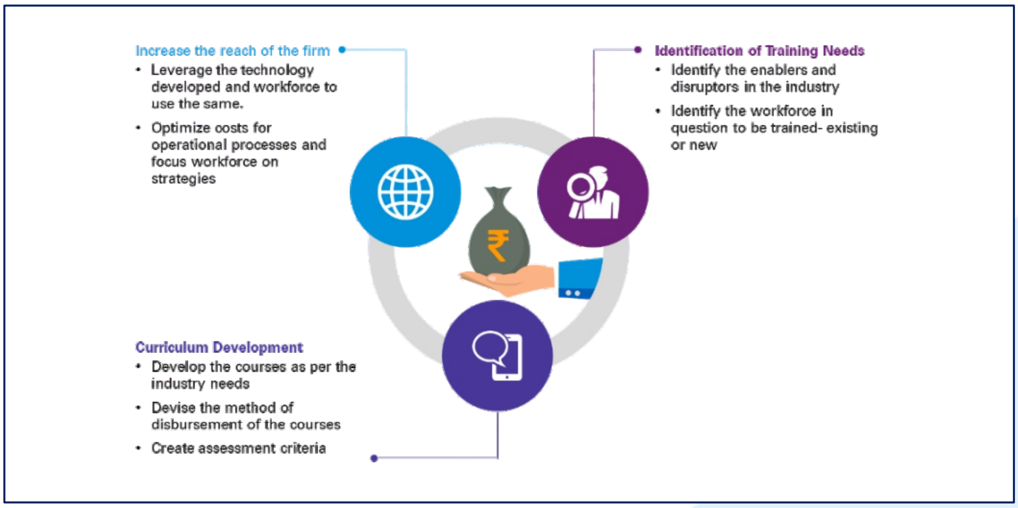
Growth of Technology: The changing nature of the economy has been complemented with new technological insights. Solutions like Artificial Intelligence, Robotic Process Automation (RPA), Blockchain to name a few are slowly being leveraged in the subsector. From customer acquisition to retention, together with risk analysis of their profiles, the use of technology has been quite widespread. Moreover, with the emergence of digital media a strong interface with a repository of diverse data of their users can be used for accurate measurement of underwriting. However, the access to the gamut of data has also given rise to regulatory challenges in the space with questions like whether discriminatory pricing can be done and to what extent the data can be used for developing the market and business strategy of the insurance firms.

Regulatory Challenges: The juggernaut of regulations in the insurance subsector has been a concern. With the rise of 'Big Data' and digitisation, this space has been further complicated. From the goods and services tax (GST) rollout to the foreign direct investment (FDI) regulations all these regulations in the insurance subsector has had a major impact. The formulation of IRDAI Regulations, 2015, in line with the amendments made under Section 32 B of the Insurance Laws (Amendment) Act, 2015, which mandates insurers to cover a certain percentage of their business for the economically weak sections would expand the scope and seek to cover the uninsured. The Information Technology Act, 2000 (IT Act) and the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (SPDI Rules) provide the overall framework with respect to data protection in India. IRDAI has provided additional regulations like Protection of Policyholders' Interests) Regulations, 2017, Maintenance of Insurance Records Regulations, 2015 to name a few to regulate the space. However, given the vast scope of data and its variegated use, still a lot needs to be done in this space.

Reaching the Uninsured: The insurance penetration of the country stands at a relatively low level and to address it the government has several schemes and regulations. From Pradhan Mantri Swasthya Bima Yojana to the Bharatiya Krishi Bima Yojana, an all-in- one insurance scheme for farmers (consisting of crop insurance, health cover, personal accident insurance, livestock insurance, insurance cover for agricultural implements like tractors and pump sets, student safety insurance and life insurance) have covered a sizeable section of the rural and semi urban section. Moreover, through the MFIs, Cooperatives and NGOs, the scope of microinsurance is also increasing with IRDAI microinsurance regulation in 2005 the space is slowly getting formalised.

In India, for the embedded nature of the agent-supervisor model, even till the last five years there were a pool of trainers in the system. Except for LIC, most of the private insurers followed this model, however now firms are doing away with the role of the trainers and strategising to make the supervisor the trainer itself. Moreover, with the rise of online courses and applications, the private firms can develop self-learning modules for the employees to learn at their own pace. The agents in the insurance space must complete the pre-licensing training and clear the certification from the Insurance Institute of India.

Need for skill training and the outcomes



Impact of Technology: Insurance Subsector

The insurance subsector has been privy to technological changes in the industry overall and witnessed efficiency gains while also restructuring its business models. In India especially, the incumbent technological changes have been complemented with the regulatory changes also. While the history of insurance in the country dates to nearly 200 years ago with British India seeing several companies from the UK have a stake in here, the liberalisation of the economy saw the 'reopening' of the subsector for foreign entities. As of 2014, the Government has allowed 49per cent of FDI in the insurance subsector and proposes to increase it to cent per cent.

The impact of technology on potentially affecting the franchise value of the insurance subsector in general with accompanying policy considerations has been notable. With millennials across the world entering their highest consumption period and their inclination towards digital solutions, the emerging markets are moving from traditional channels to more innovative ways of distribution, sales and marketing.

Given the innovation in the technological parlance in the insurance subsector, there is a growing emphasis on 'Insurtech'. Delivering convenience and efficiency, Insurtech is creating new platforms of collaborations between companies and individuals with an added weightage on simplifying insurance products and their dispersion mechanisms.

Technology and Insurance – The Interface

The arena of insurance is dominated in two broad areas- life and non-life, with the former holding the largest market share traditionally, with changing consumption dynamics, there is a significant rise of the latter. For the life insurers, the profitability of the underwritten business is known at a much later stage in the business cycle given the time span of the policies. As for the non-life the profitability is intermingled with the complexity of the products and the people involved in the business.

Fixed cost agency structure

The traditional brick and mortar set deep entrenched in the LIC's model of tied agents have been in the offing for a long time. The agents would be the face of the organisation and the offices would be the base locations for all communications. The branch led operating model has a manpower intensive process with the personnel being on a fixed cost (with some variable components). Being an inflated cost distribution model, the interface of technology has been a major boon in terms of cost.

The insurance companies, especially the ones in life insurance spent a significant portion in setting up the premises wherein the number of branches did not always justify the premium generated from them and further delaying the break-even especially for the private insurers.

Bancassurance Model

Given the delayed break-even modalities and the steady customer base of the banks, the bancassurance model facilitates a liaison between the bank and the insurance companies. For the banks, it was an additional product, for the insurance companies, the customer base of the former became a ready reckoner of sales. The banks as a 'trust worthy' financial body added the extra credibility to the products sold by the insurance companies. However, there are some issues with the said model considering that the 'solicitation' required for the insurance products is much greater as the need for it is not driven by the customers. Moreover, there are chances of substitution of bank products like term deposits with the insurance products especially when the return on investments is different.

While these models have been in practice, given the increasing complexities of the insurance products and the rapid innovations in the field of the technology has pushed the insurance companies, both life and non-life to innovate their business offerings.

Technological Know-Hows in Insurance

Today there is an increased proliferation of innovation and distribution of the insurance products in India. The economic downturn in 2008 represented a period of ambiguity and post 2014 there was an added push in the vigor of the insurance companies. The incumbent stabilisation of the economy has been complemented by the technological disruptions, with companies pushing for digitisation of their products and processes.

While focusing on human centric approach, technology enables the insurance companies to focus on simpler and more intuitive policies. Keeping the customer at the heart of the product design, the multitudinous technological solutions are being used for creating perceptive and insightful policies. The role of technology is impervious to all segments of the insurance value chain. From the core operational services to the customer service delivery options, the technology has become vital.

In view of the complexities associated with the processes of insurance, the technology is set to create fundamental transformation. Ranging from measuring, controlling, and pricing the risk to engaging with the customers the world of 'Insurtech' has attracted several global venture capitalists and financiers. A varied range of technologies are being employed in the insurance value chain. From the Internet of Things (IoT) to drones, there is an entire gamut of technologies which are using technology to corroborate the data and reduce the risk associated with the business.

Internet of Things

The all-encompassing nature of the internet embedded in the sensor-enabled devices has immense transformation potential for insurance companies. Partnering with biometric wearable companies to assess customers' behavioral patterns and offer personalised coverage plans. Moreover, in charting the health parameters and tracking of their fitness regimes, the companies have been able measure risk at a granular level thereby pricing the premiums more accurately. Telematics Insurance is fast gaining traction especially in the non-life sector. From motor to health insurance, there is a wide prevalence of the telematics to track the user history, calculate the premiums and offer discounts on the same, if applicable.

Using the IoT, insurance companies world over have been partnering with health monitoring device makers/Blackbox technologists to expand their market base in the telematics insurance. For example, a USA-based insurer is implementing usage-based technique where they reduce premiums of safe drivers depending on their driving performance.

In India, the role of telematics is at a very nascent stage and is being currently evaluated by the IRDAI. With the global trends forecasts being that consumer subscribers to telematics insurance is expected to grow to 142 million globally by 2023, insurance regulators in India are delving over the idea. With a comprehensive driver profile, the risk assessment and premium calculation is done on a real time basis instead of being based on vehicular parameters and statistics. Telematics would also be useful in minimising the fraudulent activities and assessing the damages in cases of accidents. With the Health Insurance Regulations 2016 directing the insurance companies to reward the policyholders for good health, a few companies are looking at providing fitness plans which are featured in their policies.

Artificial Intelligence

Identifying patterns and predicting the outcomes based on them has been envisaged as the role of Artificial Intelligence. Leveraging the advanced analytics, AI is being used to address nominal and repetitive questions of the customer and sell generic policies. Indian insurance companies are yet to take up AI yet globally the trend has picked up. Mechanisms like chatbots with AI allow customers to interact 24*7 helping companies reduce the expenses on the call centre facilities. Moreover, the breaking down of the complex jargons and the regulations through the chatbots is being looked upon by the companies.

Robo advice is automated financial advice being given to the customers depending on their financial parameters and investment milestones shared. Largely prevalent for online investments and saving platforms, AI based financial advice can be powered specially to provide the cost-effective algorithm-based decisions. However, the perception of sharing sensitive financial data with a machine and the associated privacy issues is still a major road block in several countries.

Blockchain

Financial inclusions and the larger prevalence of insurance has helped increase the data base of the insurance companies manifold. Blockchain technology creates a shared, encrypted database of transactions, allowing immutable exchanges of values to be created automatically. Emulating a conservative legal document, the technology can allow the obligations to be automatically fulfilled without the need of a centralised authority. Given that close to 65 per cent of the frauds go unnoticed in USA and UK, resulting in losses to the tune of 60 billion USD, blockchains through self-executing contracts can minimise the human intervention to a great extent.

The advantages of free participation, including ease of doing business with strangers has been a characteristic of blockchain yet there are certain issues associated with it. Irreversibility of blockchain can be leveraged for standardised documents, complex policies like life insurance which may require amendments given the conditions of the policy holders and incumbent regulations. However, this is also a drawback. The legality associated with blockchain and the recent restrictions made by the Reserve Bank of India has pushed back its implementation. However, the its potential ranging from immediate release of insured amount to the beneficiary on the death of the policy holder or automatic deduction of travel insurance premium depending on the location of the smart phone are still being considered making the role of blockchain pivotal for the subsector.

Most of the technologies summarised above have set a cognizance in the Indian landscape. However some of the foremost ones mentioned by the industries who were interviewed included Data Analytics and AI. Given the large data repositories that the companies have created over the years and the longevity associated with the insurance sector, close to every respondent looked at using Cloud. However, they were also quick to respond that it must be in harmony with the data regulations that are present.

Challenges and Way Ahead

Technology is often seen as major disruptor in the status quo of the business, the insurance subsector is also no exception. Tectonic shifts in technology has meant that its adoption by the firms is yet to take off. In India, both the public and private sector are still ideating and looking at maneuvering the regulatory norms associated with technology.

Being capital intensive, the uptake of technology has largely been prohibitive for small firms. Moreover, the set-up costs of specialised equipment and connected ecosystems have pushed the return on investments to longer periods of time. This is interlinked with the ability to recruit, train, and retain the highly skilled workforce needed for the tasks at hand. The manpower costs have also been pushed up making the overall capital investment much more than the earlier levels.

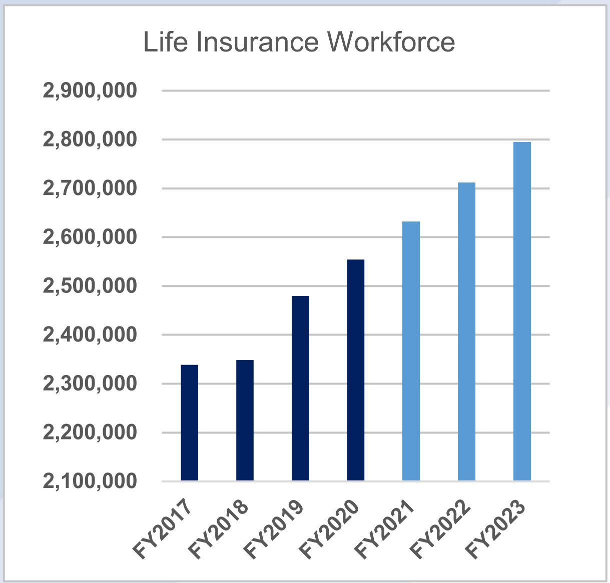
Technology interface increases the chances of personal and sensitive data of the customers being shared and there is a risk of security breaches. Platforms like Facebook and Google have mined customer behavioral patterns with the available data.Complexities associated with allied technological developments is also making the insurance terrain difficult. For example, the entry of driverless cars while having the potential to reduce the accidents, the appropriate framework for insurance covers remains elusive. According to the Motor Vehicle Act, all cars must be insured but the problem arises when fixating the liability claims. In this case, the question arises who should pay the liability in case of an accident–the manufacturer or the owner. The uncertainty of the liability question remains when there is conjunction of human and technological intervention.

For innovations to be effective they must be clearly identifiable and accepted by the regulatory authorities. In the insurance subsector, technology has evolved from an operational anxiety to a more studied approach. While there is a large recognition of the technology, the complexities of the solutions are yet to be fully accessible and tested. It is for the firms to decide the solutions they wish to take up that is fit for their growth while withstanding the compliances put forward by the national and international regulators for the safety of the customers and business.

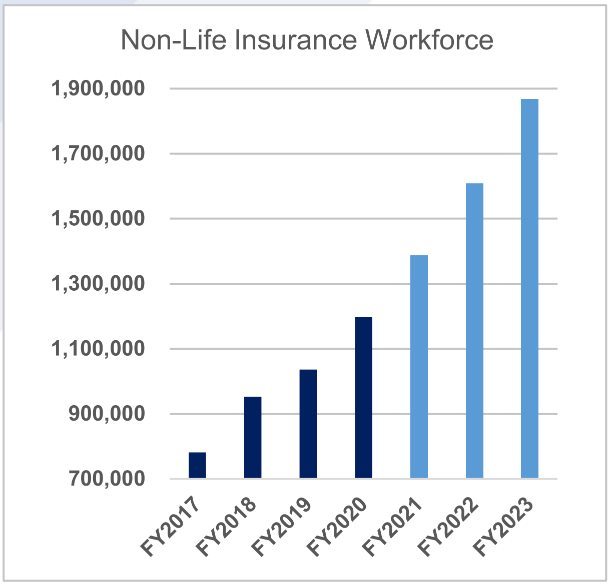
Incremental Workforce Demand Analysis

It is estimated that insurance subsector would employ about 45 lakh workforce by the end of financial year 2023 increasing from a workforce of 37.52 lakh as on 31 March 2020.

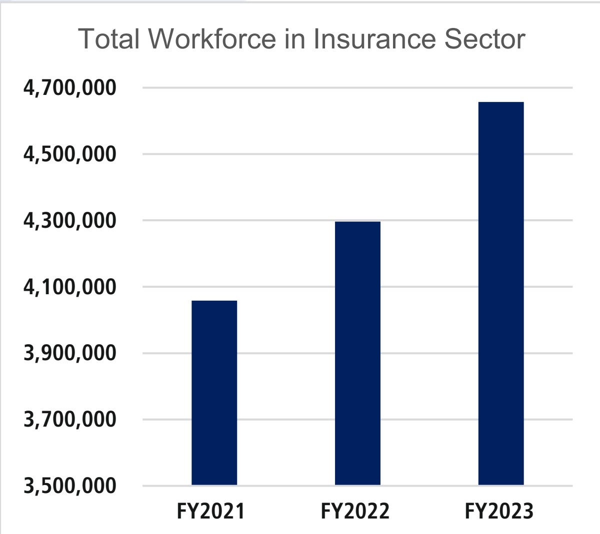
Workforce growth in the life insurance subsector



Workforce growth in the non-life insurance subsector

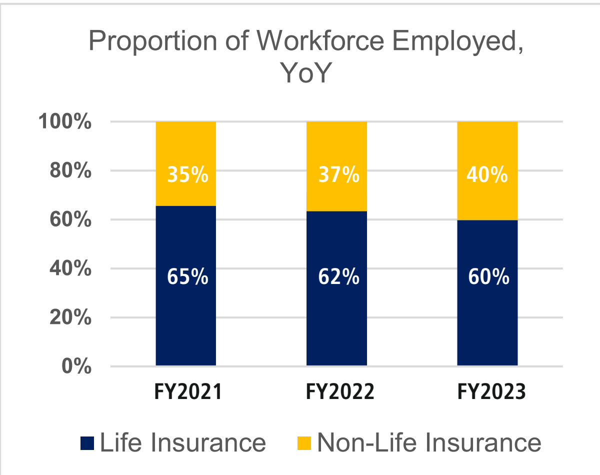


As on 2020, insurance contributed close to 56 per cent of the total workforce in the BFSI sector. In the period between 2017-2020 the total workforce grew at a composite CAGR of 6.16 per cent.



The growth in the employment has been triggered by the growth in the industry itself. As mentioned earlier, with an annual growth of close to 10 per cent, the sub sector has been one of the major contributors of heightened GDP. The proliferation of the insurance subsector has been earmarked by the growth of the non-life sector, i.e. General Insurance.

Comparative analysis of employees in life and non-life



The year on year analysis of the data sourced from the IRDAI and LIC clearly stipulates that the employee strength in the non-life sector has increased a corollary to the increased business in the domain. Much like the banking subsector, the insurance subsector has also been mandated to increase their penetration across the country.

The changing transaction models and the growth of the gig economy has also thrown many challenges at the insurance landscape

3 Skill Gap Study and Analysis in BFSI Sector

From the Atal Pension Scheme to the Pradhan Mantri Fasal Bima Yojana, several government initiatives have driven the agenda of familiarisation with the sector. The business models of the subsector have evolved over the years depending on the clientele that they are catering to.

The generic model of employment has largely been dominated by the agents who are the faces of the insurance companies and sell their varied products across the geographies. They are directed and supported by a team of direct employees handling the operations and compliance related functions for the organisations. Moreover, an analysis of the data shows that the number of the agents in proportion to the number of direct employees continue to increase for the non-life sector while for the life sector, the number has remained largely constant over the last two years.

The sales force in the companies have been one of the major driving forces behind the expansion of business. The employee strength in the private sector has been increasing over the last four years, increasing from 54 per cent in 2017 to 58 per cent in 2020. Hence an overall analysis shows that in the non-life domain, the private sector has been increasing in terms of both agents and direct employees.

The diversified non-life sector has several critical segments which have seen quite significant growth. One of the major ones have been the health sector. With seven standalone health insurance companies in the country, the employment strength has been growing manifold. From government schemes like the National Health Protection Scheme to the more specific health plans available, the sector has witnessed some key changes and upward mobility.

An analysis of the responses gathered from the interactions gave an insight into the larger industry overview and the roles that they are projecting to hire in the next three to five years.

Skills and the Insurance Subsector – An Analysis

Introduction

The insurance subsector making deeper inroads in the country and with favorable technological innovations in place, there is an established need for skilled workforce. Given the intersection of IT and financial services, a space is being created for specialised personnel who can mitigate the risks while maintaining cost optimisations. In the insurance subsector, with the entire supply chain slowly getting digitised, the IT skills of the personnel---from the agents to the claim settlement officers must be honed.

The findings of the primary survey done with various insurance players in the subsector combined with validation through secondary research the findings around the key research questions of the study is mapped to the following areas:

- Existing and Emerging Job Roles and Skills
- Diversity and Inclusion Quotient in the sector

A) Top hiring departments

As per respondents, the top hiring departments in Insurance subsector are

1. Retail Sales
2. Partnership Distribution
3. Data Analysis
4. Information Technology and Infra

B) Fast emerging verticals

Existing and Emerging Job Roles and Skills

The domain of insurance has a wide cross section of several professionals across its board. The dominant force of sales may have captured the large employee base yet there are several independent qualified professionals who assist the companies in a range of activities. These include analysing the medical profiles and determining the risks associated with assessing losses in the claim management cycle.

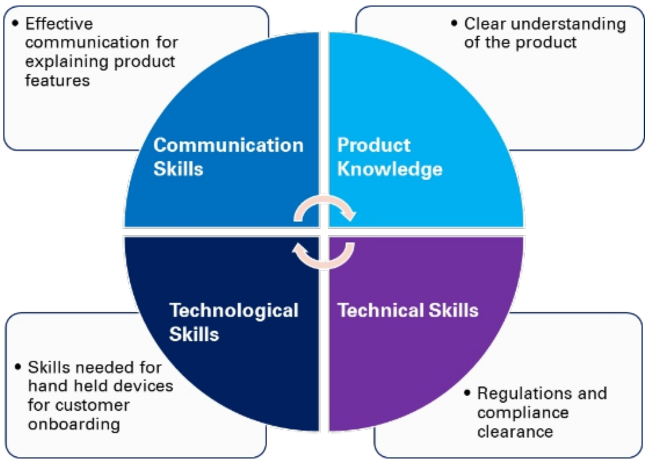
However, with the urban economy having transitioned to the digital space, the rural space is still relatively new. Hence the human interface is needed for inculcating the trust in the system of insurance and investing in the system.

Sales Force

The insurance subsector is a highly regulated one and there are strict gating criteria which mark the entry of staff. Close to 80 per cent of the employee base is the sales team. According to the IRDAI regulations, the agents must have a minimum qualification of being a class 12 graduate for the urban areas and class 10 graduate for the rural areas. They are also required to complete 50 hours of training from an IRDAI approved training institute for General/Life insurance license or 75 hours training for a composite license. Moreover, the agents need to be a part of an organisation who would be sponsoring the training and licensing for them.

Forming the bulk of the organisation, the agents become the face of the company and a lot depends on their communication skills and product knowledge. Largely entry level jobs with moderately low salaries, this team also sees a high attrition rate as the agents are quick to switch companies for a little extra money. In the companies surveyed, close to 50 per cent of them said that unlike the banking subsector where sales team can be young, in the insurance subsector a slightly mature lot is required. Given the extent of training and licensing which one goes through, the officials pointed out that the trust factor is a key component to harness given that people are investing in their future. "The touch of grey in the agents and maturity go a long way in building the trust in customers hence the preference for slightly older people as agents," said one of the Head HR of a private insurance company. Another aspect which was highlighted during the interviews was that in order to fulfil the IRDAI rules of 2015 which stipulated that insurance companies increase their rural footprints; a lot of emphasis has been put on regional hires.

A) Key Skills Needed for Sales Staff



B) Gender parity in sales force

Another interesting insight which was shared by the respondents was the participation of women in the sales channel. The respondents gave a wide spectrum of opinions on the matter. Close to 45 per cent of the respondents said they recruited close to 40 per cent women are in frontline sales while the rest are men. They reasoned this was because of the distances to be travelled and the varied kinds of customers to be handled. However, a significant section of our respondents said women given their emphatic nature make for excellent sales, however very few skilled women were available in the market.

Moreover, companies today are the expanding their sales capabilities through several learning and development courses. From app-based courses for training on regulations to Massive Open Online Courses (MOOCs) for upskilling, the companies are taking such measures for the same.

Markets and Alliances

While traditional models of relying on agents continue to be relevant, some major private insurance companies have been spending a sizeable portion of funds on advertising. Most of them have outsourced it to third party vendors, some of them have also invested on advanced corporate communications developing the content and mediums of delivery. Given that the agent-based model is still very relevant in the country, the adverts become a 'conversation starter' and enables the agents to project the products better.

Given that the bancassurance model of insurance selling has gained a lot of traction in the last couple of years coupled with the digital payment platforms, there has been an emergence of a section of the organization which looks at building the partnerships. Creating avenues of ease of accessibility for the customers, the insurance companies are partnering with several digital platforms and banks to increase their sales. “We are moving to a model of branch agnostic service touch points enabling customers to reach us barring the constraints of geography” said the Head, HR of one of the largest private insurance companies in the country.

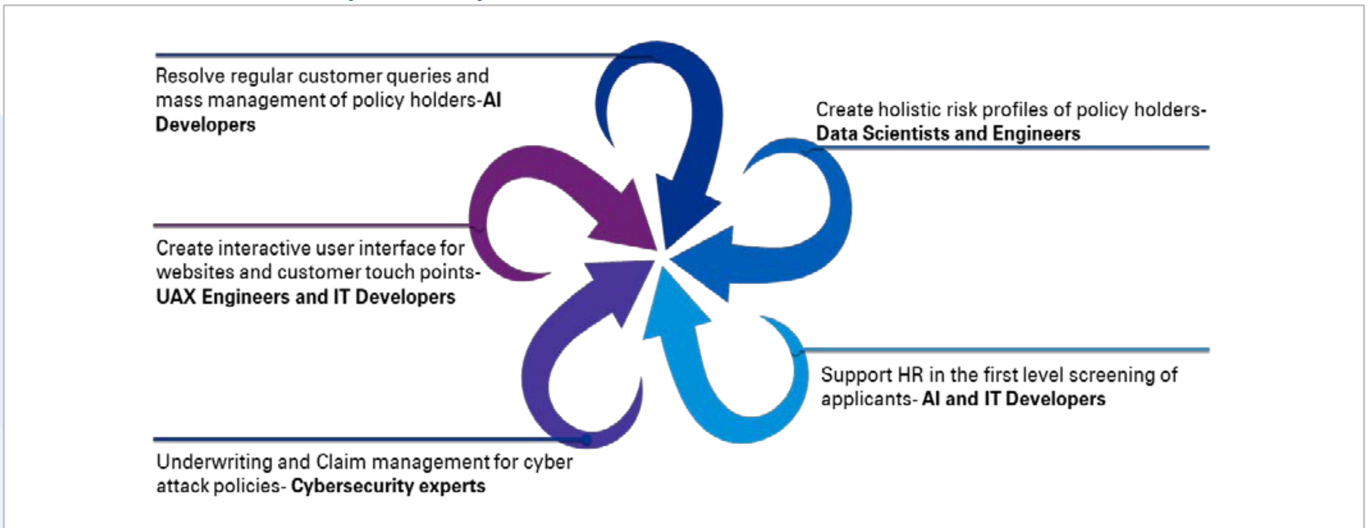
Risk and Data Analytics – Technology-driven roles

The complexities of premium calculations together with claim management has necessitated the need for risk and assessment. Across all the respondents, there was a unanimous agreement, that the data-oriented skills including Big Data and Machine Learning were slowly penetrating the Indian market. While some organisations are using AI- chatbots to handle regular customer queries, there are others who are looking to use it in their hiring processes as well. “We have to look beyond the campus interview model of hiring, a completely digital application and an automated first round of selection enables our HR staff to focus more on interviews and GDs rather than on scanning documents”, elucidated a senior HR official of a private insurer.

In encapsulating the risk associated with the insured individuals and the underwriting process, the companies are going beyond the analysis of credit scores. Health parameters and bank statements and capturing the social media activities of the individuals are also considered to create a holistic risk profile. These analyses need some key data skills. At the entry and in the mid management levels, there is a huge need for such data engineers and scientists. Given the regulations that the insurance companies must abide by, along with sensitive data that they deal with, it is imperative that the inhouse capabilities of the organisations be developed as these cannot yet be outsourced. These roles help support the actuaries and the underwriters in better understanding the risk and generating the premium rates more accurately. Moreover, to make the user interface better there is a need for making the UX engineers and developers to make the interface more user friendly and easy to use.

With the advent of insurance policies like 'E@Secure'by HDFC Ergo which insures people against cyber-attacks, there is an increased need for cybersecurity professionals both as underwriters and loss assessors in determining the premiums and claim management.

Data and Risk Professionals-Key skills and job roles



The major job roles across the departments and skills required are as identified below:

Vertical	Job Roles	Level	Skills Required
Sales	Sales Executives	Junior	✓ Digital Skills ✓ Communication and Interpersonal Skills ✓ Knowledge of Products and Benefits ✓ People Management Skills
	Regional/Area Manager	Middle	
	Relationship Manager	Junior/Middle	
Marketing, Alliances	Marketing Executive	Junior	✓ Verbal and written communication skills ✓ Basic functional domain knowledge ✓ Stakeholder Management
	Marketing Manager	Middle	
	Alliance Manager	Middle/Senior	
Risk and Data Analytics	Developers	Junior/Middle	✓ Quantitative Skills ✓ Writing and Communication Skills ✓ Insurance Domain Knowledge ✓ Statistics and Probability ✓ C++/Java/R/Python/ Hadoop ✓ Knowledge of Data Structures and Algorithms ✓ Problem Solving Skills ✓ Financial and risk modeling
	UX Engineers	Junior/Middle	
	Cybersecurity Professionals	Middle	
	Data Analyst/ Actuarial Analyst	Junior/Middle	
	Data Scientist	Middle/Senior	
	Risk Officer	Middle/Senior	

Diversity and Inclusion Quotient in the sub sector

Every organisation has the responsibility to include and maintain the diversity of workforce. The diverse workforce can range from PwDs, war veterans, women to third genders. Women employee strength in the organisation has been a key prerogative and the demand for the women employees is ever increasing. Some of the private sector insurance companies have established all women branches which are also high performing branches.

All Women's Channel - A Reliance-Nippon Life Case Study

Face to Face is a classic example in accelerating the gender agenda in an organisation. Established in 2012 employing women aged 30-50 years, this sales channel is completely driven by women. Inspired by their JV partner, Nippon Life of Japan which employed many women after the Second World War in the organisation, this unique platform looks to target existing customers who have lost connect with the advisors and lying dormant. This sales cum service initiative aims to cross sell together with upsell their insurance products.

This distribution channel works with life planning officers (LPOs) where the housewives are the target recruitment segment. Their primary responsibility to resolve the grievances of orphan policy holders and cross sell to the existing customers. They are also expected to build networks through the references developed and build their businesses on the same.

This sales format is largely aimed at Tier I and II cities across the country. With a premium on face to face interactions, the company looks at leveraging the emphatic and intuitive side of women. "Women are also relationship experts and great at networking. These qualities help them to excel as agents and financial advisors" as mentioned in one of their publications on the sales model.

3.3 The Microfinance Subsector

While the Banking and Insurance subsectors dominate a large part of the discourse, the mandate for financial inclusion requires a robust micro insurance subsector for the formal financial services delivery to the 'unbanked'. For the microfinance subsector, the workforce has grown from 0.80 lakh in 2014 to 1.58 lakh in 2022 growing at a CAGR of 12 per cent. If it continues to grow at the same rate, the sector is expected to employ 1.91 lakh workforce by the end of financial year 2022-23.

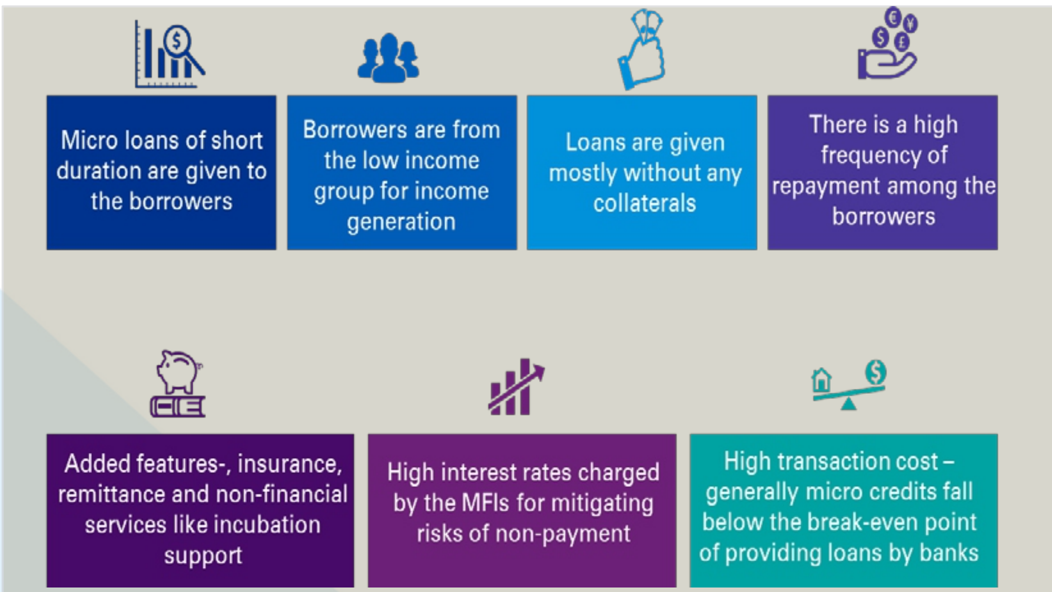
Starting from primarily interacting with the self-help groups and joint liability groups to low income persons, the subsector has evolved and even adopted technology in streamlining their onboarding, underwriting, sanctioning and disbursement phases. The dynamic nature of the subsector has also requisitioned a change in the workforce. While there is a general need for increased loan officers, branch managers given the importance of the human interface, there has been a need for more compliance officers for increasing regulations together with the IT officials and data scientists who would be able to manage the digital interfaces and draw trends from the large data sets available respectively. An innovative model of service delivery through building partnerships with local entities like postal workers, grocers have been developed for deeper entrenchment of footprints throughout the country.

A resounding theme across all the sectors was the need for upskilling and reskilling. Titled as the "second leap" across the sections, there is a growing need for the present personnel especially in the banks and the insurance companies to recalibrate their skills as per the current role expectations. The inclination of the industry towards the digitization and technological solutions, the incumbent need of training is currently being nursed through partnerships with Edtechs or global certifying bodies. The space opens the scope for more robust partnerships with international skill providers for global benchmarking of the trainings delivered.

Access to credit and financial services is a quintessential marker of inclusivity for any market and society. For a stimulus on the road to economic prosperity and inclusion, it is crucial for the formal financial services be available for the masses. Learning from the Nobel winning business model of the Grameen Bank of Bangladesh, providing financial services beyond the reaches of the formal banking, the microfinance system was developed and implemented in India. The multitude of subsidised loan schemes and the rampant informal channels of borrowing led to the establishment of the National Bank for Agriculture and Rural Development in 1982. Formulating an alternate channel of formal credit was integral as institutional credit was accessed only by the middle-upper classes which constituted a miniscule portion of the population.

While the micro-credit era began in the 1970s, the formation of NABARD gave rise to the 'financial systems' approach. The latter was more equipped to handle the challenges of a growing economy with an entrepreneurial spirit. The array of microfinance institutions is a pragmatic acknowledgement of the needs of the country's poor. The subsector has evolved manifold and has immense transformative potential for growth. As per secondary data available, the MFI industry, has shown approximately 40 per cent year on year growth.

Proportion of women employees in the organization



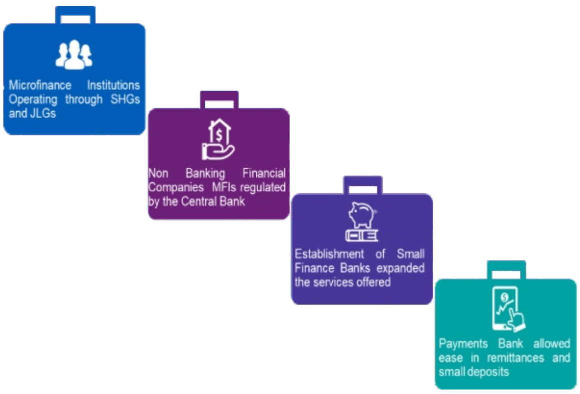
Growth Drivers and Challenges

The arena of microfinance looks at incorporating low income individuals and small businesses within the financial folds. Largely through the self-help group-Bank Linkage Programme (SHG-BLP) and the joint liability group (JLG) mode, the credit access is given to businesses.

With close to 95per cent women borrowers, the Self-Help Group-Bank Linkage Programme constitute about 10-20 people of a certain community who wish to take a loan either individually or collectively to start a micro-enterprise. Opening a bank account for each of the members and the group is mandatory and a month is taken to disburse the loan. Contrary to this model, the Joint Liability Group is a smaller arrangement of 4- 10 people for individual loan requirements. Opening of the bank account is mandatory for the JLG Model and the turnaround time for disbursing the loans is about three to four working days. Moreover, given the faster dissemination of loans and probabilities of expansion being higher, most of the microfinance institutions are looking at the JLG model as the path way to growth. However, a downside to this is the inculcation of habit of saving and an endeavor to earn a sum over and above the disposable income which the SHG-BLP pushes for is not there for the JLG model.

In an endeavour to further formalise the sector, the Small Finance Banks (SFB) were established in 2014 which expanded the financial services offering. Large MFIs like Bandhan Bank and Suryoday Bank became SFBs with a view to increase their clientele. Moreover, to address the needs of the unorganised sector especially migrant laborer, the idea of payments banks with a focus on low fee-based remittance delivery model was developed.

Initiatives such as the Micro Units Development & Refinance Agency Ltd (MUDRA), NBFC set up in 2015 with a focus on microenterprise, has been mandated to handhold the smaller MFIs and NGOs operating in the microfinance space as they are the ones catering to remote and hitherto unreached populations.



In last couple of years, The Non-banking Financial Companies MFI grew at average rate of 40per cent and the NBFC at 59per cent surpassing the banking sector. The year on year growth for the rest of the channels were–Banks (36 per cent), SFBs (25 per cent), and Others (30 per cent). With a market share of close to 37 per cent, the overall volume of loan disbursement showed immense potential for expansion. In terms of overall industry's gross loan portfolio, 83per cent was contributed by top 10 states in the country, with West Bengal and Tamil Nadu making it to the top of the list with a contribution of 35 per cent of the top 10 states. Of the top states, West Bengal, Tami Nadu, Bihar, and Karnataka have a portfolio of more than INR 15,000 crore, which indicates a marker of a concentrated market. As of 31 March 2020, MFIs were instrumental in providing microcredit to over 6.50 crores clients. They are spread across 615 districts in India of which 210 districts constitute 80 per cent of the portfolio outstanding.

The microfinance sector is a harbinger of hope when it comes to bringing the 'unbanked' within the spectrum of the formal financial services even though it was initially not very well organised in terms of the records. There were some key challenges that the sector faced, especially with the Self-Help Groups where the records and the credit history of the borrowers together with the viability of their business plans could not be properly verified. This also led to many Non-Performing Assets in the sector.

Challenges in the Microfinance Finance Space

Impact of technology in Microfinance Subsector

From the customer onboarding to underwriting, loan collection and disbursement, there is a strategic role of technology for ensuring efficiency and reduction of costs. A number of microfinance players have incorporated technology in their value chain to ease the process. The JAM trinity, i.e., Jan Dhan Yojana accounts, Aadhar Numbers and Mobile Phones have been key enablers for ensuring a tethered success of the technological interface.

Given the vast market that the microfinance subsector caters to, there is a need to seamlessly loop in advanced technology for better monitoring and accessibility.

Given the large amount of data that is available in the sector and the continuous growth projected in the same, the role of data analytics is going to remain critical in the space. Others like Cloud and AI would take time to set pace in the sector however the organisations interviewed were receptive to the using them. "Among the new technologies available, the Blockchain technology should be leveraged in the sector for close monitoring and transparency," said one of the senior officials from SIDBI. Hence the potential associated with leveraging technology in the sector is immense and what entails currently is matching the regulatory challenges with the right skills needed for developing the platforms keeping in mind the unique demands of the user population.

Technology at Origination Stage

This stage encapsulates the idea of generation of leads and their management, KYC together with understanding the needs of the customers and the reason for borrowing. While the manual entry of documents can be digitised, the human interface of this stage is critical for the customer acquisition and retention. MFIs like Bharat Financial Inclusion Limited (BFIL) have deployed hand held devices to their agents for undertaking the KYC procedure digitally. Through the Aadhar numbers of the customers, there is a direct linkage with NPCI which allows instantaneous credit bureau verification, compact and defined turnaround time for loan disbursements and improved data quality, thus also reducing the chances of interfacing with fake clients.

Technology at Underwriting Stage

With the rapid expansion of the customer base of the MFIs, the profile evaluation of the customers is imperative. There is an ingrained level of subjectivity in the loan appraisal process given the unavailability of the credit history of the customers. Technological innovations allow a certain level of reduction in the manual effort of the officers and the also enable the decision making through correlation of additional data points. Given the Andhra Pradesh Crisis of 2010, underwriting has become a pivotal function in the microfinance sector. In analysing the strength of loan case, the model is moving more towards evaluating the customer's ability to pay back rather than them being eligible for a loan. For small ticket sizes, several small finance banks are leveraging technology for quick disbursal of loans. Banks like AU Small Finance Bank can process consumer durable loans within a day by utilising their credit risk framework which look at several points of reference, starting from the CIBIL score to the bank statement analysis and provide a speedy solution.

Technology at Sanction and Disbursement Stage

The demonisation of 2016 led to lower liquidity levels and disruption in cash flows for the microfinance institutions. As a result of which several microfinance institutions, including the small and mid-sized ones had to relook at their cash-driven lending methods. Given the impetus of government towards digital payments, these organisations started embracing digital payments technologies to reduce their dependence on cash. Hence, digital payment modes have encouraged a technology- enabled transformation in the microfinance sector while simplifying the disbursement of loans to rural consumers.

As per the report shared by Microfinance Institutions Network (MFIN), a body of NBFC- MFIs, close to 87 per cent of the loans disbursed are done through cashless methods. Close to INR 11,404 crore was disbursed to over 42 lakh accounts. In view of the same, the loan officers who are more used to handling cash must be upskilled while the new cadre of resources have to equip themselves with digital payments platforms for the ease in loan disbursal.

Technology in Operations and Servicing

In the lifecycle of customer acquisition to retention, there is a range of services and compliances which the MFIs must keep up to. Given the current customer profiles and the lack of literacy added with the discomfort of interfacing with technology for financial matters, there will be a sustained demand for workforce here. However, there is a large scope for digitising the back-office processes. In terms of mobile phone usage, India ranks second in the world after China with more than a billion connections, while a quarter of these comprises smartphone users and this number is set to double to close to half a billion by 2022. Given these figures, the current mode of assisted servicing can gradually evolve into self-service apps and online portal services. In anticipation of the times, several MFIs are investing in centralised call centers and reducing the dependency on the branches for resolution of customer queries, especially the mundane ones.

Technology in Loan Collection

Several collection models were used by different MFIs as the customer portfolios and their mode of operations. From the centralised model of receiving payments at the MFI branches to individual loan officers going to each customer and receiving payments, these models were not able to leverage social pressures for the repayment. Going to SHG/JLG meetings and collecting the repayments have been able to use social pressure to coerce which works very well for the rural base. While several MFIs looked upon the importance of the role of the loan officers, there is a high operating cost associated with the model. Hence many MFIs especially the NBFC-MFIs and the SFBs are leveraging technology for repayments.

E-Shakti - Digitizing SHG records through NABARD

In the effort to formalise the transactions with the Self-Help Groups and provide them access to a diverse array of financial services, NABARD has undertaken the task of digitising the SHG information. NABARD launched a pilot project "e-Shakti" in 2015. Through an android based application, the members of the SHGs can electronically record information which leads to the creation of national MIS which captures their demographic and financial profiles. The information about SHG and its members is uploaded on website. The project is currently being implemented in 100 districts and it is estimated that 5 lakh SHGs covering around 60 lakh members would be digitised. As on 31 March 2019, more than 4.34 lakh SHGs have been on- boarded in the e-Shakti portal. With deeper penetration and ease of access, this portal ensures complete transparency of financial operations and updates the members regarding financial information through regular SMS updates. Moreover, based on the data available with the e- Shakti portal, close to 64,000 JanDhan bank accounts were opened and fresh enrolment of more than 3 lakhs PMSBY/PMJJBY accounts and 8,069 policies under APY were done. This model has enormous potential to deliver various banking services through accessible means to the SHGs.

Vaya Finserv - A Tech Enabled NBFC-MFI

Started in 2014, Vaya started out as a tech enabled banking correspondent company and in 2017 it transformed into a NBFC-MFI. In a cash driven economy, the MFIs are largely working on a paper based and cash-based transaction model, however for Vaya, they have been able to digitise the entire product offering. From real time credit bureau checks through cloud-based application on the handheld device to the loan disbursement directly into the customer's bank account, the platform has been using technology to supplement the processes like underwriting model, risk assessment and work flow of loan management.

While the repayment of the loans is still in cash, the company is looking to expand that too in the digital form. Vaya has also added other state-of-the-art technology, from QR readers to iris-scan biometric authentication for its loan processing. The major customer base of Vaya has been women who start their own businesses.

3.4 The Fintech Subsector

The convergence between the information technology (IT) and Financial Services is the need of the hour wherein the data driven job roles even at the entry levels can be created. The rise of the Fintech space in India is witness to the prowess of technology in the industry. There is a need for co-creation of job roles which entails a strong foundational knowledge in banking together with the sound IT skills across all the sectors. In the Fintech space, while the traditional roles of customer relationship personnel and sales continue, the emphasis is on the nuanced tech-based roles. While the Fintech subsector has a prodigious demand of workforce skilled in new- age technologies, it has also opened a whole new space for skilling the semi urban and rural population. Fintech has also become a carrier of financial inclusion and is opening newer avenues for skilling in uncharted territories within the country.

With an adoption rate of 64per cent, the Fintech space in India has earmarked a dominant position for itself. For many Fintech firms operating in India, the synergy between technology and financial services has been amiable. Traditionally a cash driven economy, with deeper inroads of smart phones and e-commerce companies together with the thrust of demonetisation, there has been an impetus for digitising the financial landscape for larger transparency and ease of accessibility.

In the Indian context, the corollaries of both financial inclusion and the risk assessment of the technological interfaces used is associated with Fintech penetration. Developing suitable products that cater to definitive needs and demands of the financially excluded population, coupled with facilitating digital onboarding and furthering the quantum of investments are crucial in harboring the Fintech solutions. The effective utilisation of the Aadhar Enabled Biometric Systems has created the environ which can be leveraged by the Fintech firms. Whereas retail and consumer payments are leading the Fintech space in India, several companies are emerging even in the insurance sector which is helping it to digitise the space.

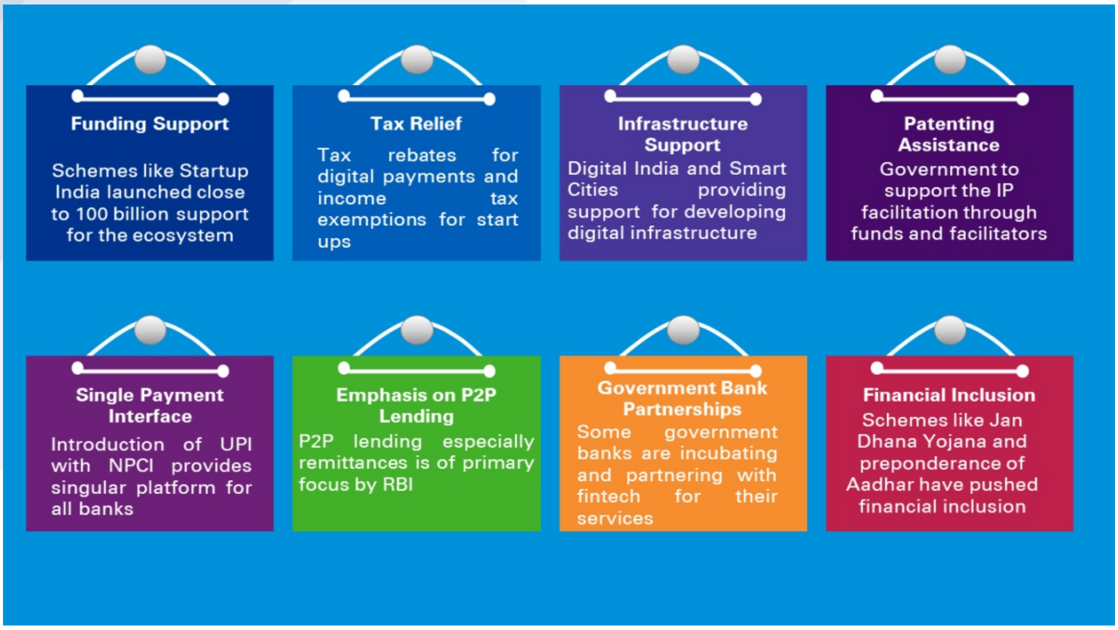
Growth Drivers and Challenges: Fintech

While in terms of the operational years, the Indian Fintech space is nascent, the growth that it has registered has been noted worldwide. Serviced by a large marketplace base together with the innovative start-ups landscape, the arena has become a prominent germination ground for hitherto unknown financial technologies and services. This growth has also been fueled by some government initiatives like the Aadhar, National Payment Corporation of India and the Jan Dhan Yojana which have interfaced together to give an overarching supportive environment for the Fintech growth. Some of the key opportunities for the sector are:

Financial Inclusion

The rise of the Fintech has opened an additional avenue for financial inclusion especially in the space of lending. Given the intricacies associated with the banks in mapping their credit and risk parameters for lending along with the high interest rates of the microfinance institutions, the Fintech NBFCs have created a strong network of borrowing and lending. The strong reliance on technology have also enabled them to minimize the Turn Around Time (TAT) and allow faster processing. "We are there to serve the deserving unserved," said Ramesh Lunia, co-founder of Flexiloans, a company which got the one of largest seed capital in the history of the start-ups in India. Companies such as this have been able to serve the credit problem in Tier III and IV cities where they are servicing 50,000-60,000 pin codes covering close to 1100 cities and towns, they have been able to reach most of the SMEs in the country.

Key factors catalyzing Fintech growth in the country



Innovative Technologies and Data driven platforms

Given that many Fintech companies dabbled with the payment services, it was a window for the starting of the 'Fintech revolution.' Industry pundits are of the view that 50 per cent of the Fintech companies continue to focus on payments and trade processing. This they feel are going to be entry pathways for digitisation of other services like insurance, credit, and wealth management to name a few. Given that most of the unbanked population lack the credit history, the payments data from these digital platforms can be leveraged based on strong data driven and behavioral risk management modelling.

Using Sound waves to make Payments

Tone Tag, a Bengaluru based startup is using sound waves to make digital payments. A pure play product developed for contactless payments, the company has partnered with banks like Bank of Baroda, ICICI and Freecharge for enabling their customers to make offline sound-based payments together with First Data for creating the open loop interface for enabling payments across the spectrum and restrict to specific bank/wallet apps.

The platform does not require any specific hardware and can be done through a varied range of devices---smartphones, feature phones, PoS (Point of Sale) devices, EDC (Electronic Data Capture) devices and by Tone Tag's retail pod, among others. All one must do is programme a device with Tone Tag's software and the transactions are completed when the two devices are in proximity. Moreover, this technology has also allowed offline merchants to create a repository of customers and access their buying patterns for more targeted sales pitch.

"Data is our biggest asset and today through technology we are able to co-relate, triangulate posit conclusively on the credit worthiness of a person at a faster and more accurate manner than most banks and NBFCs," said one of the founders of a leading Fintech based NBFC. With major focus on data analytics, most of these organisations are also using key technologies like AI, Cloud and Blockchain In the study, we captured the below mentioned finding on the use of the technology:

Top hiring departments

As per respondents the top hiring departments in fintech subsector are

1. Data Analytics
2. Artificial Intelligence
3. Blockchain
4. Cloud

Partnerships and Collaborations

Given the niche spectrum of the Fintech companies coupled with the large market space and the bevy of regulations that companies must work with, it is imperative that partnerships develop between the companies. For example, the growth of the e-commerce platforms has been leveraged by the SME loans businesses for connecting with the entrepreneurs. "We partnered with platforms like Amazon and Flipkart by advertisements of our product offerings and were able to increase our customer base," said one of the founders of a SME-focused digital NBFC.

While most of the respondents focused on making technology in-house, a few of the Fintech companies mentioned that they are working closely with other smaller brands and start ups and leveraging their products and service offerings. Given that many companies are operating in very niche technologies along with the enormous space of financial services, there is a need for developing partnerships among them. "Cohesive extended enterprises forming collaborations to service customers is the future," said Ramesh Panicker, CEO Retra Finance. The Fintech space has posited great growth potential but there are a number of challenges too which have to be mitigated to ensure sustainability and scalability.

Data Security and Privacy

An aspect which needs attention in the Fintech space is mitigating the potential risks associated with digitisation. The central KYC registry houses close to 100 million KYC records which have already been uploaded onto this platform. While being an opportunity pool for centralised and transparent transactions, mishandling of such sensitive data can evoke severe security threats. In view of the same, the technology wave in the financial services have also propelled a digitisation of the regulatory compliances and supervisions with the advent of RegTech and SupTech. However, caution must be exercised in handling the range of sensitive information of customers.

As a proposed solution to issues related to privacy, was the use of blockchain to maintain data anonymity and allowing the user to track which entities have access to their data points. "This technology if leveraged provides a unique opportunity for creating a central KYC platform. This will allow users to have a single database which can be shared across different entities like e-wallets, banks, insurers instead of the user having to enter the same data repeatedly," commented one of founders of a digital KYC platform.

The government and the regulators have created an opportunity of growth by creating a supportive ecosystem through UPI and NPCI, yet there are several hurdles which are there due to hasty and outdated policies. Moreover, even the SEBI regulations have been a hurdle for trading companies especially regarding buying and selling of stocks.

Telecom Infrastructure

There is a deep penetration of smart phones in the country, however, the telecom infrastructure especially the data driven services are hit by the unavailability of network coverage and speed. Some of the services like cloud-based systems can deliver significant efficiency gains in processing loan requests, automating transactions, together with assessing risk, but these systems are intrinsically dependent on the systems and the network strength that is available.

Illiteracy

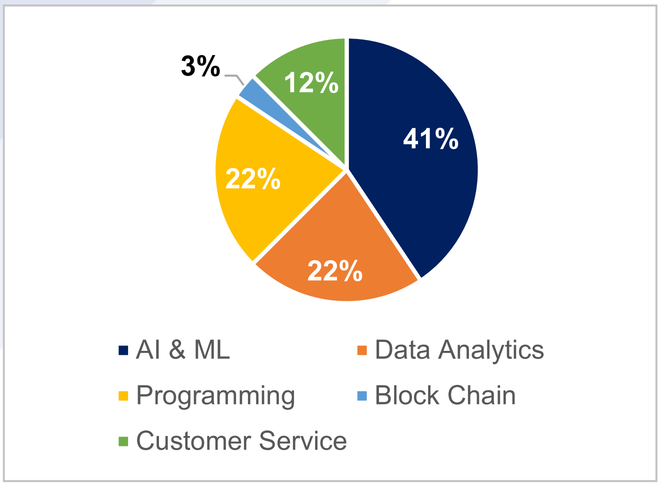
The digital platforms allow a seamless and user-friendly base for transactions and other forms of financial services, but their reach is tied to the reach of literacy patterns which allows people to understand their nuances. This becomes true especially in cases of mutual funds and such mechanisms for capital circulation which have several nuances and need a certain level of financial and academic literacy for the people and market to understand each other and for the former to take an informed decision.

Considering the challenges and the growth drivers, it is important to address both for shrinking the risks of the former and enhancing the culpability of the latter.

Skills Requirement in the Fintech Space

The Fintech companies have prominently positioned themselves in the country, therefore, the skill mandate in the BFSI sector needs a separate agenda for it. Most of the respondents in the study looked at servicing the payments and lending interface. "We are targeting the missing middle who need an interface for digital loans and collection," said Vaibhav, CEO, FTCash. The profile and clientele that most of the respondents were catering to depended on the product that they had to offer.

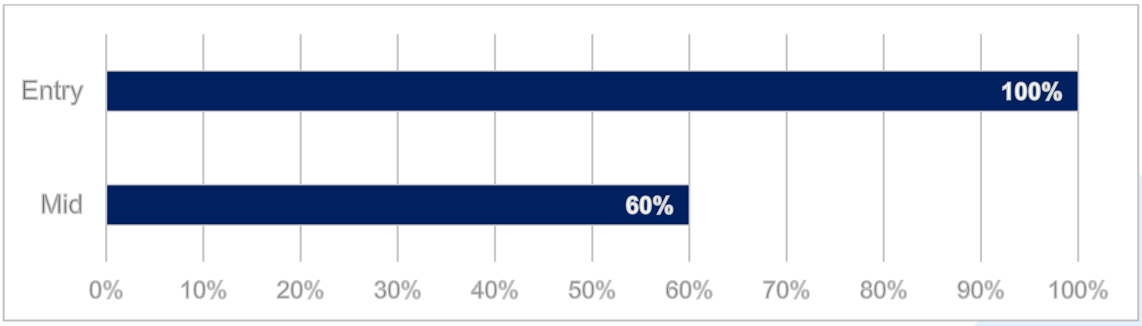
Skills requirement for Future Jobs



Most of the respondents agreed on the shortage of skills in the sector. While there was a need for niche technical skills like Machine Learning, AI and Java Developers to name a few, there is also an imminent need for effective customer service team including sales, tele callers, etc. Developing professional standards and persuasive communication skills is required for the sales team.

Like the traditional banking and insurance sector, the sales teams witness high attrition, hence start-ups are also looking to invest in sales managers who are able to invest in the team and develop it. Some of the start-ups which are smaller in size and do not wish to invest in a sales team or are looking to develop more on the technology side are partnering with local shops and enterprises to be their customer touch points.

Existing skill gap at various levels



In the study, most of the respondents agreed that the skill gap existing in the industry is at entry level job roles followed by middle level job roles. They also mentioned that the candidates mainly lack tech-oriented skill sets. Moreover, while the respondents are looking to hire workforce in sales, tele callers, business operations teams at entry level roles, the tech teams require professionals at the middle management level. "Just knowing the technology is not enough, it is important that the applicant is able to successfully map the industry knowledge with the technical skills."

List of Job Roles in Fintech Subsector

Based on the interviews conducted, some of the key job roles that surfaced through the interactions are listed below:

Vertical	Job Roles	Level	Skills Required
IT & Programming	Java, C++, Android, UI Developer	Junior	✓ Technical knowledge on platforms and languages ✓ Knowledge of Data Structures and Algorithms ✓ Testing basics ✓ Problem Solving Skills
	Artificial Intelligence	Junior/Middle	
	Machine Learning	Junior/Middle	
	Robotic Process Automation	Junior/Middle	
	Cyber Security	Middle	
	Manager	Middle/Senior	
Customer Service	Sales	Junior	✓ Digital Skills ✓ Communication and Interpersonal Skills ✓ Knowledge of Products and Benefits ✓ People Management Skills
	Tele Caller	Junior	
	Sales Manager	Junior	
Business Operations	Product Manager	Middle/Senior	✓ Communication Skills ✓ Stakeholder Management ✓ Functional Domain Knowledge ✓ Knowledge on regulation ✓ Accounting and Financial Skills
	Business Manager	Middle/Senior	
	Compliance Officer	Middle	
	Marketing	Middle	
	Credit and Collections	Junior/Middle	
Data Analytics	Data Analyst	Junior/Middle	✓ Quantitative Skills
	Data Scientist	Middle	✓ Writing and Communication Skills ✓ Functional Domain Knowledge ✓ Statistics and Probability
	Big Data Engineer	Junior/Middle	

Along with the technical skills it is equally important to have people skills across all levels - an intermix of communication and emotional quotient.

Inclusivity through Partnerships

Direct hiring in customer interfacing and data entry roles are capital intensive, hence some of the Fintech companies which are servicing in wider geographies like Flexiloans have outsourced this part of their business to two agencies. One of the agencies is Vindhya e- Infomedia. With an aim to mainstream jobs like Call Center Support Services, Data Entry and Management Services, Accessibility Testing Services for the PwDs, this organisation is closely working with Flexiloans for its data entry and to some extent fixing entire documentation for the loan processing. "It is remarkable to see how concentrated people with hearing impairments can work, without any distraction their processing turnaround time is remarkable," said Devi, Head, HR Flexiloans.

4 Manpower Demand in BFSI Sector

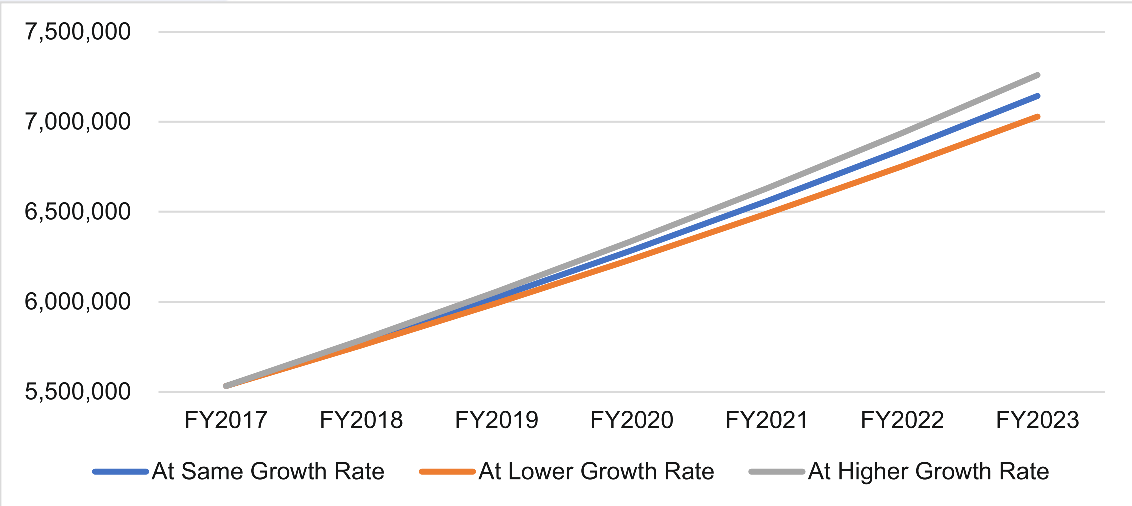
The BFSI sector has grown at a CAGR of 7.74per cent from 2012 to 2020. The future workforce requirement in BFSI sector is estimated assuming three possible scenarios as explained below.

- Same Growth Rate: The sector is assumed to continue to grow at same rate of 7.74 per cent
- Lower Growth Rate: The sector is assumed to grow at a lower rate of 7.24 per cent
- Higher Growth Rate: The sector is assumed to grow at a higher rate of 8.24per cent

The future workforce requirement in the sector, as per the above considerations, is estimated as below:

Expected Workforce (2020-2023) Employed in BFSI Sector (in lakhs)							
Year	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Growth Rate at 7.74 per cent	55.32	57.73	60.24	62.86	65.60	68.45	71.43
Growth Rate at 7.24 per cent	55.32	57.57	59.92	62.36	64.89	67.54	70.29
Growth Rate at 8.24 per cent	55.32	57.88	60.57	63.37	66.31	69.38	72.60

Workforce Requirement in BFSI Sector



Following are areas in which large manpower requirement exists in BFSI sector:

- Corporate banking
- Retail banking
- Investment banking
- Credit Cards
- Stock - Broking
- Payment Gateways
- Mutual Funds
- Life and General Insurance
- Microfinancing
- Fintech Lending Companies

Aspirants can perform the role of insurance agents, bank and financial product sales executive, equity product sales executive, investment advisors and stock broking associates/consultants in different Banks, Financial Services and Insurance Companies.

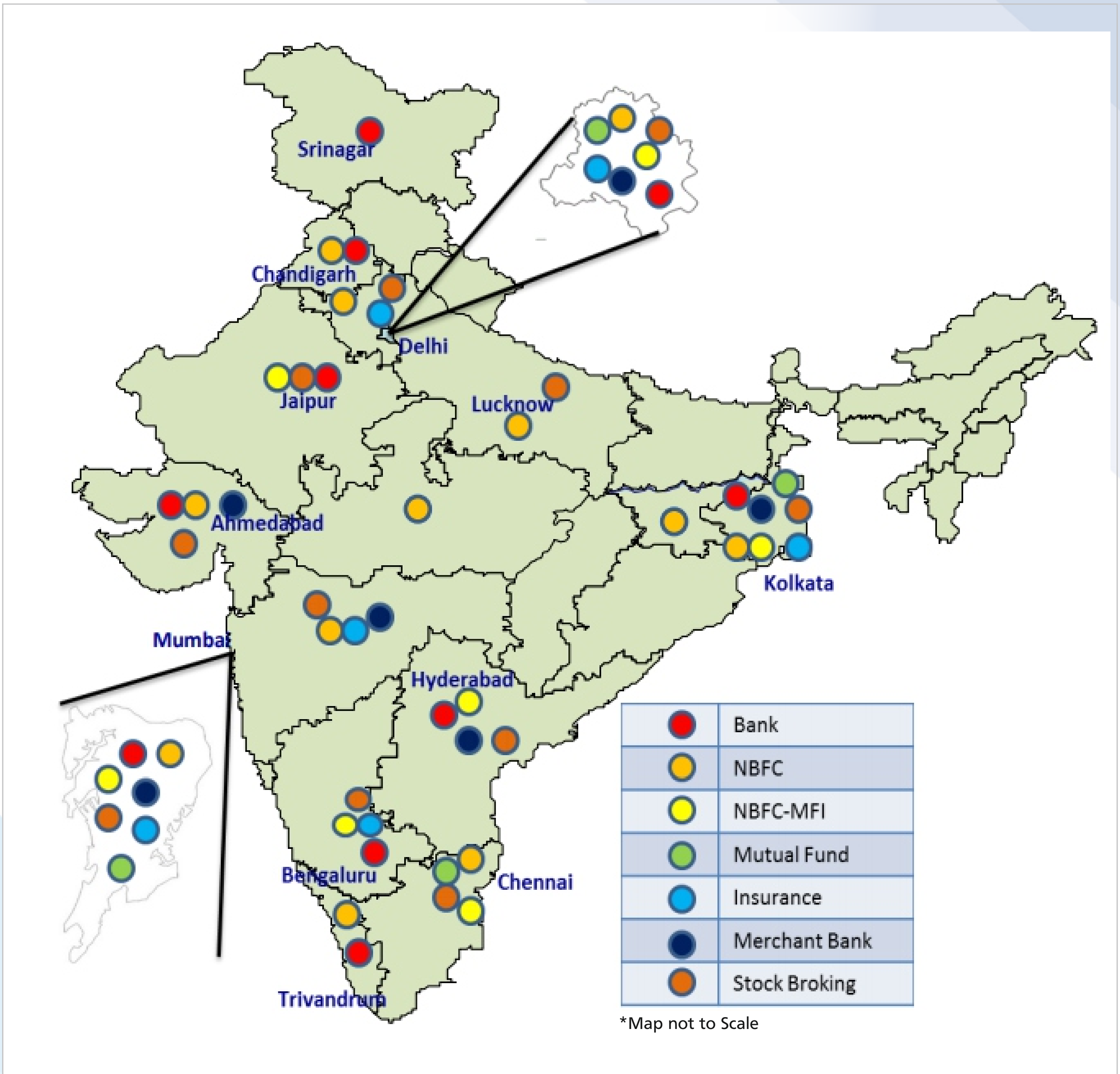
4 Manpower Demand in BFSI Sector

BFSI SSC has its own manpower placement portal www.hireforskills.in

This portal will provide all trained and skilled candidates to have access to various Apprenticeship, Employment and Self Employment opportunities in BFSI sector.

- BFSI Companies like Banks, NBFCs, Microfinance Cos, Housing Finance Companies, Insurance Cos., Mutual Fund Cos etc are the major employers of the trained candidates.
- Even local MSMEs/SMEs/Business Entities will be targeted for apprenticeship / placement of the certified candidates.

Geographical distribution of BFSI Sector



4 Manpower Demand in BFSI Sector

Projected manpower demand for some of the entry level job roles in BFSI sector

BFSI Job Roles In Demand	2022-23	2023-24	2024-25
Business Correspondent/Facilitator	50,000	55,000	60,000
Debt Recovery Agent	15,000	20,000	20,000
Credit Processing Associate	18,000	20,000	22,000
Microfinance Executive	50,000	55,000	60,000
Insurance Agent	25,000	30,000	35,000
Mutual fund Agent	15,000	20,000	25,000
Accounts Executive/Assistant	25,000	30,000	35,000
TOTAL	**1,98,000**	**2,30,000**	**2,57,000**

(Based on Demand Aggregation done by BFSI SSC)

5 NCVET approved BFSI Qualifications

5.1 Business Correspondent / Facilitator

NSQF Level	:	4
Qualification Code	:	BSC/Q8401
Job Description	:	The individual at work is responsible for sourcing prospective customers, introducing banking products to the unbanked market segment, and facilitating business transactions for the existing customers. The incumbent is also responsible for selling banking products and services, opening accounts, and assisting the bank in collecting receivables including bad debt.
Entry requirement	:	12th Class in any stream OR 3 yrs govt. recognized diploma after class 10th
Minimum age	:	18 Years
Career Progression	:	Insurance Agent / Mutual Fund Distributor / RM - Bancassurance/ Insurance / Financial Inclusion officer (Lending)
Employment Opportunities are with	:	PSU Banks, Pvt Banks, Coop Banks, Gramin/Rural Banks, NBFCs, MFIs

5.2 Microfinance Executive

NSQF Level	:	3
Qualification Code	:	BSC/Q2401
Job Description	:	The individual at work is responsible for selling variety of financial services related to loans, savings, insurance and remittances. The incumbent also identifies and sources the potential customers, assists them with microfinance application and loan disbursement process, and collect fees and installments from them as per organizational procedures.
Entry requirement	:	10th Class in any stream OR 2 yrs govt. recognized diploma after class 8th
Minimum age	:	16 Years
Career Progression	:	Team Leader, Sales Manager, Area Sales Manager
Employment Opportunities are with	:	Pvt Banks, Small Finance Banks, Coop Banks, Gramin/Rural Banks, NBFCs, MFIs

5.3 Mutual Fund Distributor

NSQF Level	3
Qualification Code	BSC/Q3802
Job Description	The individual at work is responsible for conducting research on mutual funds, facilitating the customers in selecting and buying mutual funds as per their financial goals, and providing postsales services.
Entry requirement	12th Class in any stream OR 3 yrs govt. recognized diploma after class 10th
Minimum age	18 Years
Career Progression	Relationship Officer (Mutual Fund), Sales Manager (Mutual Fund), Area Sales Manager (Mutual Fund)
Employment Opportunities are with	As Mutual Fund Distributor/ Wealth Advisor Pvt Banks, Small Finance Banks, Coop Banks, Gramin/Rural Banks, NBFCs, MFIs

5.4 Insurance Agent

NSQF Level	3
Qualification Code	BSC/Q3801
Job Description	The individual at work is responsible for sourcing the customers, assisting customers in filling insurance application form and providing pre-issuance services and post sale services to the customers.
Entry requirement	12th Class in any stream OR 3 yrs govt. recognized diploma after class 10th
Minimum age	18 Years
Career Progression	Relationship Officer (Insurance), Sales Manager (Insurance), Area Sales Manager (Insurance)
Employment Opportunities are with	As Insurance Agent / Wealth Advisor Pvt Banks, Small Finance Banks, Coop Banks, Gramin/Rural Banks, NBFCs, MFIs

5.5 Debt Recovery Agent

NSQF Level	:	3
Qualification Code	:	BSC/Q2303
Job Description	:	The individual is responsible for performing pre-recovery activities like understanding the legal aspects of contract, collecting all the required details, informing the debtors on the type of loan taken and guiding them accordingly, etc. and handling the recovery cases as per organizational standards.
Entry requirement	:	12th Class in any stream OR 3 yrs govt. recognized diploma after class 10th
Minimum age	:	18 Years
Career Progression	:	Team Leader Recovery, Manager Recovery
Employment Opportunities are with	:	with Pvt Banks, Small Finance Banks, Coop Banks, Gramin/Rural Banks, NBFCs, MFIs

5.6 Credit Processing Officer

NSQF Level	:	4
Qualification Code	:	BSC/Q2304
Job Description	:	The individual at work is responsible for checking and verifying eligibility of the loan application, preparing the credit appraisal memorandum and forwarding the loan application form for sanction to the sanctioning Officer.
Entry requirement	:	Graduate in any stream with 6 months of work exp with any BFSI Co.
Minimum age	:	18 Years
Career Progression	:	Credit Approval Officer, Center Manager – RAC, Branch Manager Credit Processing
Employment Opportunities are with	:	Pvt Banks, Small Finance Banks, Coop Banks, Gramin/Rural Banks, NBFCs, MFIs

5.7 Accounts Executive

NSQF Level	:	4
Qualification Code	:	BSC/Q8101
Job Description	:	The individual as an accounts executive Accounts Executive maintains records of receipts, payments and provisions; compiles periodic bank reconciliation statement and depreciation schedules; and presents any other defined report to senior(s).
Entry requirement	:	12th Class in Commerce stream OR BCom/BBA/BA Eco/Any Graduate with work experience in BFSI sector
Minimum age	:	18 Years
Career Progression	:	Accountant, Senior Accountant, Finance Manager
Employment Opportunities are with	:	Any Manufacturing/Services/Trading Companies

6 List of BFSI Companies in India

6.1 List of Public Sector Banks in India

1	Bank of Baroda
2	Bank of India
3	Bank of Maharashtra
4	Canara Bank
5	Central Bank of India
6	Indian Bank
7	Indian Overseas Bank
8	Punjab & Sind Bank
9	Punjab National Bank
10	State Bank of India
11	UCO Bank
12	Union Bank of India

6.2 List of Private Sector Banks in India

1	Axis Bank Ltd.
2	Bandhan Bank Ltd.
3	City Union Bank Ltd.
4	CSB Bank Limited
5	DCB Bank Ltd.
6	Dhanlaxmi Bank Ltd.
7	Federal Bank Ltd.
8	HDFC Bank Ltd
9	ICICI Bank Ltd.
10	IDBI Bank Limited
11	IDFC FIRST Bank Limited
12	IndusInd Bank Ltd
13	Jammu & Kashmir Bank Ltd.
14	Karnataka Bank Ltd.
15	Karur Vysya Bank Ltd.
16	Kotak Mahindra Bank Ltd
17	Nainital bank Ltd.
18	RBL Bank Ltd.
19	South Indian Bank Ltd.
20	Tamilnad Mercantile Bank Ltd.
21	YES Bank Ltd.

6.3 List of Small Finance Banks (SFB) in India

1	Au Small Finance Bank Ltd.
2	Capital Small Finance Bank Ltd
3	Equitas Small Finance Bank Ltd
4	ESAF Small Finance Bank Ltd.
5	Fincare Small Finance Bank Ltd.
6	Jana Small Finance Bank Ltd
7	North East Small finance Bank Ltd
8	Shivalik Small Finance Bank Ltd
9	Suryoday Small Finance Bank Ltd.
10	Ujjivan Small Finance Bank Ltd.
11	Unity Small Finance Bank Ltd
12	Utkarsh Small Finance Bank Ltd.

6.4 List of Payments Banks (PB) in India

1	Airtel Payments Bank Ltd
2	FINO Payments Bank Ltd
3	India Post Payments Bank Ltd
4	Jio Payments Bank Ltd
5	NSDL Payments Bank Limited
6	Paytm Payments Bank Ltd

6 List of BFSI Companies in India

6.5	List of Top 10 NBFCs in India
1	Shriram Transport Finance Company Limited
2	Bajaj Finance Limited
3	Mahindra & Mahindra Financial Services Limited
4	Muthoot Finance Ltd
5	HDB Finance Services
6	Cholamandalam Investment and Finance Co. Ltd.
7	Tata Capital Financial Services Ltd
8	L & T Finance Limited
9	Aditya Birla Finance Ltd.
10	Power Finance Corporation Limited

6.6	List of Mutual Fund Cos in India
1	Aditya Birla Sunlife AMC Ltd
2	Axis AMC Ltd
3	Baroda Asset Management Company Ltd
4	BNP Paribas Asset Management India Pvt Ltd
5	BOI AXA Investment Managers Pvt Ltd
6	Canara Robeco Asset Management Company Ltd
7	DHFL Pramerica Asset Managers Pvt. Ltd.
8	DSP Investment Managers Pvt. Ltd.
9	Edelweiss Asset Management Ltd
10	Essel Finance AMC Ltd
11	Franklin Templeton Asset Management (India) Pvt Ltd
12	HDFC AMC Ltd
13	HSBC Asset Management (India) Pvt Ltd
14	ICICI Prudential AMC Ltd
15	IDBI Assessment Management Ltd
16	IDFC Asset Management Company Ltd
17	IIFCL Asset Management Co. Ltd.
18	IIFL Asset Management Ltd.
19	IL&FS Infra Assest Management Ltd
20	Indiabulls Asset Management Company Ltd.

6.6	List of Mutual Fund Cos in India
21	Invesco Asset Management (India) Private Limited
22	ITI Asset Management Limited
23	JM Financial Asset Management Pvt Limited
24	Kotak Mahindra Asset Management Co. Ltd.
25	L&T Investment Management Limited
26	LIC Mutual Fund Asset Management Limited
27	Mahindra Asset Management Company Pvt. Ltd.
28	Mirae Asset Global Investments (India) Pvt. Ltd.
29	Morgan Stanley Investment Management Pvt.Ltd.
30	Motilal Oswal Asset Management Company Ltd.
31	PPFAS Asset Management Pvt. Ltd.
32	Pramerica Asset Managers Private Ltd
33	Principal Asset Management Pvt. Ltd.
34	Quant Money Managers Limited
35	Quantum Asset Management Company Pvt. Ltd.
36	Reliance Nippon Life Asset Management Limited
37	Sahara Asset Management Company Pvt. Ltd.
38	SBI Funds Management Private Ltd.
39	Shriram Asset Management Co. Ltd.
40	SREI Mutual Fund Asset Management Pvt. Ltd.
41	Sundaram Asset Management Company Ltd
42	Tata Asset Management Ltd
43	Taurus Asset Management Company Ltd
44	Union KBC Asset Management Company Pvt Ltd
45	UTI Asset Management Company Ltd
46	YES Asset Management (India) Ltd.

6 List of BFSI Companies in India

6.7	List of General Insurance Cos in India
1	Aditya Birla Health Insurance Co. Limited
2	Agriculture Insurance Co. of India Ltd.
3	Bajaj Allianz General Insurance
4	Bharti Axa General Insurance Compay Limited
5	Care Insurance Co. Ltd
6	Cholamandalam General Insurance company Ltd
7	Export Credit Guarantee Corporation of India Ltd.
8	Future Generali India Insurance Company Limited
9	HDFC Ergo General insurance Company Limited
10	HDFC General Insurance Limited
11	ICICI Lombard General Insurance Company Ltd.
12	IFFICO Tokio General Insurance Company Limited
13	Kotak Mahindra General Insurance Company Ltd.
14	Liberty Videocon General Insurance Company Ltd.
15	Magma HDI General Insurance Company Limited
16	MANIPAL CIGNA Health Insurance Company Ltd.
17	National Insurance Co. Ltd.
18	Niva Bupa Health Insurance Co. Ltd
19	Raheja QBE General Insurance Company Limited
20	Reliance General Insurance Company Limited
21	Royal Sundaram Alliance Insurance Company Ltd.
22	SBI general Insurance Company Limited
23	Shriram General Insurance Company Limited
24	Star Health & Allied Insurance Co.Ltd.
25	Tata AIG General Insurance Company Limited
26	The New India Assurance Co. Ltd
27	The Oriental Insurance Co. Ltd.
28	United India Insurance Co. Ltd.
29	Universal Sompo General Insurance Company Ltd.

6.8	List of Life Insurance Cos in India
1	Aegon Life Insurance Co. Ltd
2	Aviva India Life Insurance Co. Ltd.
3	Bajaj Allianz Life Insurance Co. Ltd.
4	Bharti Axa Life Insurance Co. Ltd
5	Birla Sunlife Insurance Co. Ltd.
6	Canara HSBC OBC Life Insurance Co. Ltd.
7	DHFL Pramerica Life Insurance Co. Ltd.
8	Edelweiss Tokio Life Insurance Co. Ltd.
9	Exide Life Insurance Co. Ltd.
10	Future Generali India Life Insurance Co. Ltd
11	HDFC Standard Life Insurance Co. Ltd.
12	ICICI Prudential Life Insurance Co. Ltd.
13	IDBI Federal Life Insurance Co. Ltd.
14	India First Life Insurance Co. Ltd.
15	Kotak Life Insurance Co. Ltd.
16	Life Insurance Corporation of India
17	Max Life Insurance Co. Ltd
18	PNB MetLife India Insurance Co. Ltd.
19	Reliance Nippon Life Insurance Co. Ltd.
20	Sahara India Life Insurance Co. Ltd.
21	SBI Life Insurance Co. Ltd.
22	Shriram Life Insurance Co. Ltd.
23	Star Union Dai-ichi Life Insurance Co. Ltd.
24	TATA AIA Life Insurance Co. Ltd.

6 List of BFSI Companies in India

6.9 List of Fintech Companies in India

1	Cashpe
2	Cleartax
3	Creditvidya
4	Fisdom
5	Flexiloans.com
6	Indialends
7	Juspay
8	Mobikwik
9	Money View
10	Moneytap
11	Neogrowth
12	Payswiff
13	Signzy
14	Slicepay
15	Smallcase
16	Suvidhaa
17	Namaste Credit
18	Rubique
19	Acko
20	Bankbazaar
21	Bill Desk
22	Capital Float
23	Cointribe
24	Coverfox
25	Earlysalary
26	Ezetap
27	Faircent
28	Ftcash
29	Incred
30	Instamojo
31	Kissht
32	Krazybee
33	Kredx
34	Lendingkart

6.9 List of Fintech Companies in India (Cont..)

35	Loantap
36	Mswipe
37	Ofbusiness
38	Paysense
39	Phonepe
40	Pine Labs
41	Policybazaar
42	Razorpay
43	Redcarpet Up
44	Scripbox
45	Simpl
46	Sqrrl Fintech
47	Toffee Insurance
48	Zerodha
49	Zestmoney

6.10 List of Microfinance Companies in India

1	Adhikar Microfinance Ltd
2	Adi Chitragupta Finance Limited
3	Agora Microfinance India Ltd.
4	Ajagar Finance Private Limited
5	Altura Financial Services Limited
6	Anik Financial Services Pvt. Ltd.
7	Annapurna Finance Private Limited.
8	Arohan Financial Services Limited
9	Arth Micro Finance (private) Ltd
10	Asa International India Microfinance Limited
11	Asirvad Micro Finance Limited
12	Asomi Finance Private Ltd.
13	Avanti Microfinance Private Limited
14	Aviral Finance Private Limited
15	Belstar Microfinance Limited
16	Blue Horizon Investments Limited
17	Bwda Finance Limited

6 List of BFSI Companies in India

6.10 List of Microfinance Companies in India	
18	Capital Trust Microfinance Private Limited
19	Ceejay Microfin Limited
20	Centrum Microcredit Limited
21	Chaitanya India Fin Credit Private Limited
22	Creditaccess Grameen Limited
23	Destiny Finco (p) Ltd
24	Digamber Capfin Ltd.
25	Esaf Financial Holdings Private Limited
26	Fino Finance Pvt Limited
27	Fusion Microfinance Private Limited
28	G U Financial Services Private Limited.
29	Grameen Development & Finance Private Limited
30	Grameen Shakti Microfinance Services Pvt. Ltd.
31	Growing Opportunity Finance(india) Pvt Ltd
32	Hindusthan Microfinance Pvt. Ltd.
33	Humana Financial Services Private Limited
34	Idf Financial Services Private Limited
35	Inditrade Microfinance Limited
36	Jagaran Microfin Private Limited
37	Janakalyan Financial Services Private Limited
38	Janashree Microfin Limited
39	Kiara Microcredit Private Limited
40	Light Micro Finance Private Limited
41	M Power Micro Finance Pvt Ltd
42	Madura Micro Finance Limited
43	Magalir Micro Capital Private Limited
44	Magenta Finance Services Private Limited
45	Margdarshak Financial Services Limited
46	Midland Microfin Limited
47	Mitrata Inclusive Financial Services Pvt. Ltd.
48	Msm Microfinance Limited
49	Muthoot Microfin Ltd
50	Nabfins Limited
51	Namra Finance Limited

6.10 List of Microfinance Companies in India	
52	Navachetana Microfin Services Private Limited
53	Need Livelihood Microfinance Privat Limited
54	Nightingale Finvest Pvt. Ltd.
55	Pahal Financial Services Private Limited
56	Palma Development Finance Private Limited
57	Prayas Financial Services Private Limited
58	Prayatna Microfinance Limited
59	Pujan Investment & Finance Private Limited
60	Repco Micro Finance Limited
61	Rors Finance Private Limited
62	S V Creditline Limited
63	S.m.i.l.e Micro Finance Limited
64	Sahayog Microfinance Limited
65	Saija Finance Private Limited
66	Samasta Microfinance Limited
67	Samavesh Finserve Private Limited
68	Sambandh Finserve Private Limited
69	Sarala Development & Microfinance Pvt. Ltd.
70	Satin Creditcare Network Limited
71	Satra Development Finance Private Limited
72	Satya Microcapital Limited
73	Save Microfinance Private Limited
74	Share Microfin Ltd.
75	Shikhar Microfinanacae Private Limited
76	Shree Marikamba Micro Finance Private Limited
77	Shroff Capital & Finance Pvt. Ltd.
78	Sindhuja Microcredit Private Limited
79	Sonata Finance Private Limited
80	South India Finvest Private Limited
81	Spandana Sphoorty Financial Ltd.
82	Svamaan Financial Services Private Limited
83	Svasti Micro Finance Pvt Ltd.
84	Svatantra Microfin Private Limited
85	Unacco Financial Services Private Limited

6.10 List of Microfinance Companies in India	
86	Unnati Microfin Private Limited
87	Uttrayan Financial Services Private Limited
88	Valar Aditi Social Finance Private Limited
89	Varam Capital Private Limited
90	Vaya Finserv Private Limied
91	Vector Finance Private Limited
92	Vedika Credit Capital Limited
93	Village Financial Services Limited
94	Virutcham Microfinance Limited
95	Vivardhana Microfinance Ltd
96	Yvu Financial Services Pvt.ltd.

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