ENIGMA 4.0

About Shriram General Insurance:

Shriram General Insurance Company is a joint venture between, Shriram Capital Limited and Sanlam Limited (South Africa) that is licensed by the Insurance Regulatory and Development Authority. SGI provides a comprehensive range of general insurance solutions, crafted to suit individual requirements. Some generalised categories of these products could be Motor, Travel, Home and other miscellaneous insurances that ensure reliable and affordable risk cover so customers can stay worry-free in life.

Problem Statement:

CEO of Shriram General Insurance has asked his Analytics team to understand the vast company data to derive insights on why is the Own Damage (OD) frequency is high in some of the geographical areas, which is leading to loss for the company. As an external Analytics consultant, you need to help the Analytics team present an action plan based on high Own Damage (OD) frequency and how to balance the loss because of it.

Key Deliverables:

- A presentation in PDF/PPT format with maximum 8 slides, excluding the Cover page and the Thank You slide, with the following Flow of content:
  - Explain the Rationale behind your Analysis of the Data
  - Derive inferences about trend of OD ratio/OD frequency in different Geographies
  - Analyse the key drivers such as Theft, Road Conditions, Traffic volume and their correlation with change in OD ratio/OD frequency
  - From the Analysis of above parameters, draw Business Insights on why the company is facing the issue of high OD frequency
  - Finally, deliver suggestions for the CEO, that can be implemented to balance the losses that the company is incurring (for ex. Giving lesser discount rates)

- Furthermore, also give recommendations, how policy sales can be increased.

Bonus task: Embed the link of a functional Dashboard created on any visualisation software like MS Excel, Tableau, PowerBI etc. describing the relationship between OD frequency/OD ratio and various geographical and parameters like No. of earned policies, Gross Premium, Discount Amount provided etc.

Appendix:

OD Ratio (Own Damage Ratio) in insurance refers to the ratio of incurred losses and claims paid out by an insurance company to the premiums earned during a specific period. The ratio is calculated by dividing the sum of incurred losses and claims paid by the total premiums earned during the same period.

This ratio is used by insurance companies to measure their profitability and the effectiveness of their underwriting and risk management practices. A higher OD ratio indicates that the company is paying out more in claims than it is earning in premiums, which can negatively impact their profitability.

OD Frequency (Own damage Frequency) OD frequency in insurance refers to the number of claims reported or filed by policyholders for Own Damage (OD) coverage during a specific period. OD coverage provides protection for damage to the insured vehicle due to events such as accidents, theft, fire, and natural disasters.

*The formula for OD frequency and OD ratio is provided below, we expect students to use these formulae to create columns for the same.

Field	Formula
OD RATIO	= (TOTALPAID_OD +MotorOD_IBNR +MotorOD_OCR)/Earned_OD *100
OD FREQ.	=(Intimated_ODClaims)/Earnedpolicies *100

The solution will be checked for plagiarism, and if similarities are found, the team will be disqualified

Get ready to showcase your thinking skills! All the best!