

GENERATED ON **30/11/2022**

RISK EXPOSURE REPORT

Prepared for
Ragnall



Company Profile

Company Name: **Raghnall**

Industry Type: **Manufacturing**

Industry Sub Type: **Carpet And Drugget Manufacturing (Cotton / Jute / Wool)**

Estimated Annual Turnover: **1000000**

Estimated Asset Value: **100000**

Number of Employees: **100**

Industry Outlook

Organised manufacturing is the biggest private sector employer in India. Overall, more than 30 million people are employed in the sector (organised and unorganised) and will become the engine of growth as it tries to incorporate the huge available workforce in India, most of who are semi-skilled. The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025.

Some of the key market trends to look out for in 2022 and beyond are:

1. **Export driven expansion** - Going forward, business leaders expect global demand to play a major role in expansion of India's manufacturing industry.

2. **Motherboard manufacturing** - Electronic motherboards demand in India is expected to grow by over six folds to reach ~ US\$ 81.5 billion by 2026, according to Manufacturers' Association for Information Technology report. Between FY21 and FY26, India is expected to generate cumulative export revenue of US\$ 101 billion.

3. **Industrial Internet of Things (IIOT) And Industry 4.0** - According to Ericsson's Capturing Business Opportunities Beyond Mobile Broadband Report, 5G industry revenue in India is anticipated at US\$ 17 billion by 2030, with the manufacturing sector being one of the key contributors (US\$ 3.74 billion). Smart manufacturing is expected to boost the 'Make in India' initiative.

4. **Six Technology Innovation Platforms** - On July 02, 2021, the government introduced six technology innovation platforms to boost the domestic manufacturing sector and develop innovative, indigenous technologies to put India at par with the global counterparts. The six platforms launched are as follows:

- ASPIRE (Automotive Solutions Portal for Industry Research & Education): Developed by the International Centre for Automotive Technology (ICAT)
- SanRachna: Bharat Heavy Electricals Limited (BHEL)
- TechNovuus: Automotive Research Association of India (ARAI)
- HMT TechPort: Hindustan Machine Tools Limited (HMT)
- KITE (Knowledge Integration for Technology Enrichment): IIT-Madras
- DRISHTI (Design, Research and Innovation by Harvesting Science and Technology for Industries) Central Manufacturing Technology Institute (CMTI)

Risk Outlook



Extreme Risk



Medium Risk



Risk Insights

- Crime – The Crime Insurance market is expected to increase by 5 to 10% in future with continued focus on social engineering fraud-related controls and processes, as well as vendor management and multi-factor authentication underwriting questions.
- Liability - Litigation risk continues to be a top D&O concern worldwide. As per the Global Claims Review Report 2022 by AGCS, attorney fees have become as high as \$1800 per hour as compared to \$1000 just five years ago. Also, D&O insurers' defense costs increased by almost 40% in 2019 and by over 10% in 2020.
- Employee - Attracting and retaining skilled workers has rarely been more challenging as 69% of companies globally report talent shortages – the highest in 15 years, according to a ManpowerGroup survey. Businesses face direct financial and operational repercussions of such shortages, strikes, closures, and unrest. According to data from the Ministry of Labour and Employment, India has lost 36.94 lakh man-days in 210 strikes and lockouts in the public and private sectors during 2018-2021.
- Property - As per the global claims data analyzed by AGCS (Allianz Global Corporate & Specialty), business interruption losses caused by fire/explosion incidents amounted to an average of over \$6.5mn per incident – nearly a third more than the actual property damage caused directly by such fires (\$4.4mn).
- Cyber – As per the Allianz Risk Barometer Report 2022, cyber incidents (e.g. cyber-crime, IT failure/outage, data breaches, fines, and penalties) have been named as the “biggest risk to businesses for the fifth year in a row, with ransomware attack being the most concerning cyber exposure for companies

Why Ragnall

We, at Ragnall, build partnerships with your organization that goes beyond pure risk transfer and offer a variety of additional services, like assessing your risk exposure, crisis management support or help with preventative measures. At Ragnall, we have specialized underwriters and product experts who take time to understand your business and procure protection from the most appropriate source according to your needs.

KNOW MORE

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