

83 percentage of Indian Businesses See Tech Risks as Top Threat, Reveals TATA AIG and Dun and Bradstreet Report

Category: Business

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- 69% of businesses are concerned about legal challenges.
- 67% of businesses face growing regulatory pressures related to data privacy and environmental risks.

TATA AIG General Insurance Company Limited and Dun & Bradstreet India released the Horizon Watch Emerging Risk Report, a collaborative research effort identifying and analysing emerging risks that Indian businesses will face over the next five years. The report is based on a detailed survey conducted among 300 business leaders across 25 sectors, including IT & ITeS, Chemicals & Pharmaceuticals, Auto & Auto-ancillary and Financial Services among others.

The report highlights a rapidly changing risk landscape where technology advancements, geopolitical conflicts, legal challenges and other risks are forcing businesses to rethink their risk mitigation and business continuity strategies. 83% of businesses cited technological advancements as the leading driver of new risks, followed by 69% expressing concerns over legal challenges and 67% for growing regulatory pressures related to data privacy and environmental risks. Meanwhile, 63% expect international conflicts to severely impact their operations.

Key Insights from the Report

- **Technology Challenges:** 83% of respondents identified

technology advancements as a major risk factor, raising critical concerns around data privacy, security vulnerabilities, and regulatory compliance.

- **Legal Challenges:** 69% of businesses identify legal challenges as one of the leading contributors to emerging risks. As regulatory landscapes grow increasingly complex, organizations are becoming more concerned about the potential impact of legal disputes on their operations and long-term strategies.
- **Regulatory Risks:** 67% of businesses are concerned about data privacy and protection regulations, which rank among the top regulatory risks. Additionally, environmental regulations and compliance changes are emerging concerns as businesses struggle to navigate increasingly stringent requirement
- **Geopolitical Gaps:** While 63% of businesses recognize international conflicts as a significant risk, only 19% conduct regular assessments for geopolitical risks, leaving many companies vulnerable to unforeseen disruptions.
- **Supply Chain Risks:** 63% of respondents ranked logistics and transportation disruptions as a top concern. However, with ongoing geopolitical tensions and natural disasters, businesses must strengthen their resilience against supply chain vulnerabilities.
- **Consumer Behaviour Shifts:** 51% of businesses are worried about evolving consumer preferences, driven by demographic shifts and the increasing demand for sustainable and digital-first solutions. Companies must rapidly adapt to these changes to stay competitive.
- **Financial Instability:** 48% of businesses expressed concern over financial instability due to economic downturns, rising interest rates, and inflation, prompting companies to focus more on liquidity and risk management strategies.

The Horizon Watch Emerging Risk Report introduces the Impact-

Probability-Control (IPC) Framework, a structured methodology for assessing and mitigating emerging risks. It helps businesses prioritize risks based on their potential impact, likelihood of manifestation, and the effectiveness of control measures, providing decision-makers with a practical approach to risk mitigation.

Mr. Sushant Sarin, President – Commercial Business, TATA AIG General Insurance, stated, *“At TATA AIG, we understand that in today’s rapidly evolving global landscape, managing emerging risks is crucial to the sustainability and growth of any organization. Our aim is to empower organizations to anticipate emerging challenges, mitigate risks, and ensure business continuity, enabling them to thrive in an increasingly complex world. This report provides a comprehensive framework to help businesses identify and address risks, fostering resilience and enabling long-term growth.”*

Mr. Avinash Gupta, Managing Director of Dun & Bradstreet India, added, *“Businesses today face unprecedented challenges in a rapidly changing landscape marked by geopolitical tensions, climate crises, and technological threats. The TATA AIG – Dun & Bradstreet Horizon Watch Report serves as a vital tool for organizations, offering insights through our Impact-Probability-Control framework. By identifying emerging risks and their implications, we empower businesses to navigate uncertainty with confidence, ensuring resilience in a world where adaptability is key to survival.”*

Understanding Emerging Risks

In today's volatile business landscape, businesses must manage risks across political, technological, environmental, economic, and competitive forces. As benign risk environments fade, resiliency is key to thriving amid challenges. Emerging risks are grouped into four categories: Known Knowns (predictable risks), Known Unknowns (risks with uncertain timing), Unknown Knowns (unclear impacts from familiar areas),

and Unknown Unknowns (unforeseen risks). The report shows 60% of businesses manage Unknown Knowns, 43% address Known Unknowns, and 47% recognize Unknown Unknowns but are underprepared. Additionally, 53% overlook these unpredictable threats, underscoring the need for stronger risk management strategies.

To view the full report, follow this link: [Horizon Watch Emerging Risk Report](#).