

IFFCO-Tokio to track cattle to end fraudulent claims

Our Bureau

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IFFCO-Tokio General Insurance plans to use a tracking scheme, which has been started on a pilot basis, to put an end to fraudulent claims made on cattle insurance.

ILO GRANT

The company has got a grant from the International Labour Organisation (ILO) to use Radio Frequency Identification Devices (RFID) to track cattle.

On the sidelines of IFFCO-Tokio General Insurance tie-up with Tamil Nadu State Apex Co-operative, Mr N.K. Kedia, Director Marketing, IFFCO-Tokio, said Gujarat and Orissa have been identified to rollout the pilot project using RFID to track cattle.

He declined to mention the amount of grant provided by ILO. The grant is provided in phases depending upon the development of the project. "Only after six months to a year can we comment on the progress and success of RFID in helping to bring down claims from cattle insurance," he said.

HUGE CLAIMS

The microchip having RFID technology embedded on the cattle's ear will enable the insurer to identify cattle. It helps the company trace a specific animal and pay the rightful claim on its death or on it contracting diseases.

Currently tags made of brass or polythene are used to identify cattle and the tags are tampered with to make fraudulent claims.

Mr Kedia said the claims from cattle insurance were more than 100 per cent due to frauds.

TAP CO-OP BANKS

IFFCO-Tokio expects to tap the depositor base of co-operative banks in Tamil Nadu by partnering with TNSAC. With this tie-up, the company's insurance policies will be sold in 23 districts co-operatives and 4,010 branches of primary State agriculture co-operatives.