

Iffco-Tokio to launch pilot project on cattle insurance in Orissa

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To help the farmers mitigate the loss on account of flood, drought and disease in animals, Iffco-Tokio General Insurance, the private general insurer, plans to start a pilot project on cattle insurance in Orissa.

The project will use an innovative micro-chip induced claim handling system which can reduce manipulations in claims. It will be launched in September this year in Khurda district in association with a reputed non-government organisation (NGO).

The insurance premium for the scheme will be about 2 to 4 percent of the value of the animal which is affordable given the high claims ratio in the cattle insurance, N K Kedia, director (marketing), Iffco-Tokio General Insurance Company said here.

Addressing the media on the sidelines of inaugurating the Orissa state office in Bhubaneswar, he said, Radio Frequency Identification Devices (RFID) tagging system will be leveraged to identify the cattle and mitigate loss.

Stating that the claims ratio is very high in cattle insurance due to manipulations, he said, the company intends to use a micro-chip induced claim handling system to avoid manipulations in the



(From left) N K Kedia, director (marketing), IFFCO-TOKIO General Insurance, and Ashok Mishra, Business Head (Orissa), addressing media **CHAUDHURY RAJNARAYAN**

process. Though brass tags or polythenes are used to identify the cattle at present, it is not tamper proof, which is resulting in adverse claim ratio and high premium. As a way out, an innovative and unique micro-chip has been developed by the company which will be embedded to the animal. This chip is capable of wireless transmission of the identity of an object and use of it can help track the animal. The persons managing cattle will be trained under the project, he said. While the inputs from the Orissa project are expected in December, the company intends to launch similar pilot projects in states like Punjab, Rajasthan and Gujrat. However, the partnering organisations could be NGOs,

dairy or co-operatives, Kedia added. The cattle insurance scheme can ensure individual cattle management, exact identification of animal and ability to scan the RFID tags to utilise artificial insemination data and pregnancy of cows among others.

It may be noted, the company is working on weather insurance where loss of farmers on account of climate variation can be taken care of. It has already launched pilot projects based on Normalised Difference Vegetable Index (NDVI) in three locations namely Ambikapur (Madhya Pradesh), Cudappah and Nizamabad in (Andhra Pradesh). Iffco-Tokio General Insurance aims to sell about 30 lakh policies by the end of the current fiscal.