

ENSURIFY

Preventing Frauds in Farm Insurance



BLOCKCHAIN



DECENTRAL



AUTHENTIC



SCALABLE



Easy Tracking

PROBLEM STATEMENT



- Fraudulent activities in government's crop loan schemes like PMFBY.
- Both farmers and insurance companies cheat due to opacity in the system.
- Farmers do fraud by taking multiple loans for single land or showing large cultivation area.
- Insurance companies delay in claim settlements and many times reject them.
- Very hard for government to keep track of loan settlements and payments by insurance companies.



Maharashtra govt begins probe into mega crop insurance fraud

Bhavika Jain | TNN | Updated: Jan 23, 2017, 02:45 IST

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Representative image

MUMBAI: The state government has come across major irregularities in insurance claims made by farmers in 2015. Most of these anomalies were reported from Marathwada, which was the worst affected region in the 26 districts hit by drought that year. The state government had disbursed a record Rs 4,205 crore as insurance.

The state agriculture department is investigating all insurance claims made by farmers for the kharif and rabi seasons after it came to light that in Beed district alone, Rs 58 crore insurance money that was sanctioned for farmers was claimed illegally and banks had to reverse that amount to the state exchequer.

According to a report on the incident, over 15,000 farmers from the district had fraudulently claimed insurance for a larger area of cultivation, or for premium paid for crops they hadn't even sowed. The episode was investigated by Beed collector Naval Kishore Ram when it emerged that the cultivated land shown as insured was much higher than the area available for cultivation in the district.

CASE STUDIES

Why firms love crop insurance more than farmers

TIMESOFINDIA.COM | Jul 19, 2018, 12:58 IST

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Representative Image

Farmer Indicted on Crop Insurance Fraud

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By News Wire

By Beatriz Alvarado, Corpus Christi Caller-Times, Texas

[Email](#)

A Corpus Christi farmer was indicted on a charge of crop insurance fraud after ginning more than 300 bales of cotton and not including the production in an insurance claim, a Department of Justice news release said

Leon Bernsen Jr., 65, was indicted Wednesday and faces up to 30 years in prison if convicted, the release states.

Bernsen, who farms under the name Bernsen Farms, bought a crop insurance policy from a company with federal ties and ginned the more than 300 bales of cotton under a fictitious business name at a gin in Robstown, the release states.

Bernsen withheld the production of the bales when he filed a crop insurance claim, which resulted in fraudulent crop insurance payments, the release states.

His first appearance before a judge was not specified in the release.

The criminal investigation was conducted by the U.S. Department of Agriculture--Office of Inspector General.

HIGHLIGHTS

- Under Pradhan Mantri Fasal Bima Yojana, insurance companies registered a margin of Rs 15,029 crore
- The companies earned 96 per cent profit under another crop insurance scheme—the Restructured Weather-Based Insurance Scheme

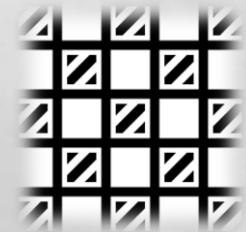
N DELHI: The government's ambitious crop insurance scheme has proved to be a pot for insurance companies last year, which collectively earned 85 per cent fit (after excluding administrative and reinsurance expenses) during the 2017-18 season.

rif is an Indian cropping season which extends from July to October.

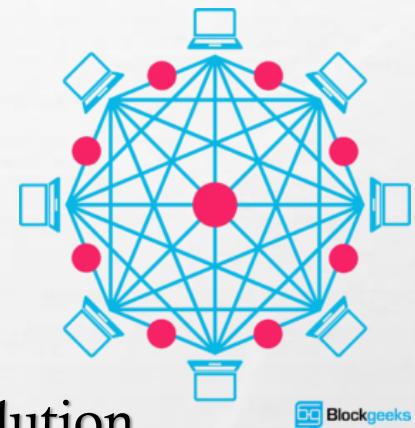
insurance firms (5 public and 12 private) empanelled under the Pradhan Mantri Fasal Bima Yojana (PMFBY) registered a margin of Rs 15,029 crore as they paid out

PROBLEMS IN CURRENT SYSTEM

- Impossible to keep track of how many certificates a farmer has taken or if he has inflated the area of his cultivated land on these certificates
- No record of which crops are being cultivated on which plot.
- No tracking mechanism for government to look into loan claim settlement by insurance companies and also track delays and rejections by them.
- System has a lot of opacity which paves way for frauds.

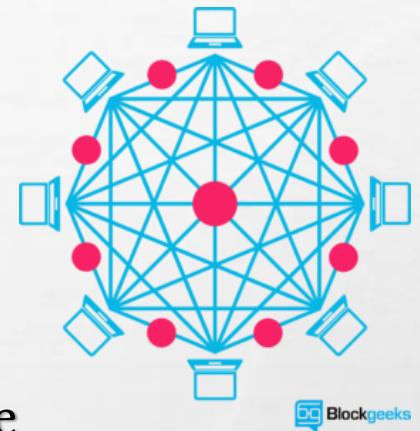


PROPOSED SOLUTION



- We are proposing a block chain based secure, immutable and transparent solution.
- Our system keeps all the transactions related to a field in block chain.
- Transactions includes:
 - land purchase, issuing of crop sowing certificate, purchasing crop insurance, claiming the insurance and disbursement of it.
 - With this, we can keep track of cultivation land area, all the crop sowing certificates, number of insurances per field and the claim status of insurances.

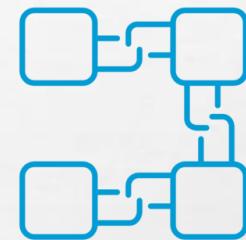
PROPOSED SOLUTION



- The local revenue official who issues crop sowing certificates can easily track the previous certificates owned by farmers.
- The insurance companies can check if the farmer has already claimed an insurance in another company.
- Government can easily track how many insurances are claimed and how are they being disbursed.

TECHNOLOGIES USED

- Block Chain
- Ethereum
- Solidity
- Web application
- SQL Database



Blockchain



FUTURE ASPECTS

- Insurance and Claim disbursement Payment integration in block chain only.
- Using biometric authentication to add more to the security.

THANK YOU

Team : AlphaMinds