

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:3210

ANSWERED ON:10.12.2001

CROP INSURANCE SCHEME

GANGASANDRA SIDDAPPA BASAVARAJ;HEMA GAMANG;IQBAL AHMED SARADGI;PRENEET KAUR;PUNNULAL MOHALE

**Will the Minister of AGRICULTURE be pleased to state:**

- (a) the present status of pilot crop insurance scheme which was launched a few years back;
- (b) the amount provided for payment of premium for small marginal farmers under the scheme during the last three years;
- (c) whether the farmers of the country have got the desired benefit;
- (d) if so, the details thereof;
- (e) whether the Government have any scheme to provide adequate information to farmers about the said scheme;
- (f) if so, the details thereof since most of the farmers are not getting the benefits of the said scheme;
- (g) the action being taken by the Government in this regard and to implement the insurance scheme in all the States;
- (h) whether the Government are considering to have certain changes in crop insurance policy;
- (i) if so, the details thereof including the main changes; and
- (j) the time by which it is likely to be introduced?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a) : No such scheme was launched during the last few years.

(b) to (g) : Do not arise.

(h) to (j) : Yes Sir. The Government have already implemented a new crop insurance scheme known as National Agricultural Insurance Scheme (NAIS) from Rabi 1999-2000 season. The scheme provides for more coverage in terms of farmers, crops and risks. The salient features of this scheme are annexed.

Annexure

Salient Features of National Agricultural Insurance Scheme (NAIS)

The Government of India have introduced NAIS from Rabi 1999-2000 season by replacing the earlier Comprehensive Crop Insurance Scheme (CCIS) :

- Scheme is available to all farmers – loanee and non-loanee both - irrespective of their size of holding.
- Compulsory for loanee farmers and optional for non-loanee farmers.
- The scheme is voluntary for the States/UTs.
- Sum-insured may extend to the value of threshold yield of the area insured.
- Coverage of all food crops (cereals, millets & pulses), oilseeds and annual commercial/ horticultural crops in respect of which past yield data is available for adequate number of years.
- Among the annual commercial/horticultural crops, eleven crops namely cotton, sugarcane, potato, chillies, ginger, onion, turmeric, jute, tapioca, annual banana and pineapple are presently covered.
- Basically all-risk insurance scheme covering all yield losses due to natural, non- preventable risks.
- Premium rates are 3.5% for bajra and oilseeds, and 2.5% for other Kharif crops; 1.5% for wheat, and 2% for other rabi crops. In case the rates worked out on the basis of actuarial data are less than the prescribed premium rate, the lower rate will be applicable.

- In case of annual commercial/ horticultural crops, actuarial rates are charged.
- Small and marginal farmers are provided subsidy of 50% of the premium charged from them. The subsidy will be phased out over a period of 5 years on sunset basis.
- To implement NAIS at lower unit of insurance i.e. Gram Panchayat within three years.
- It is proposed to set up a separate agency for implementation of NAIS.
- The scheme will be reviewed annually.