

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

STARRED QUESTION NO:90
ANSWERED ON:24.02.2003
NATIONAL AGRICULTURAL INSURANCE SCHEME
LAXMAN GILUWA;THAAWAR CHAND GEHLOT

Will the Minister of AGRICULTURE be pleased to state:

- (a) the main features of National Agricultural Insurance Scheme (NAIS);
- (b) the target fixed and achieved thereunder during the Ninth Plan Period, State-wise;
- (c) the steps where the said scheme has been implemented indicating the number of farmers benefited therefrom in each State as on January 31, 2003;
- (d) whether some of the States have failed to implement the said scheme despite certain amendments by the Government;
- (e) if so, the details thereof and the reasons therefor; and
- (f) the efforts made by the Government to implement the said scheme throughout the country indicating the facilities provided to the State Governments for effective implementation of the same?

Answer

MINISTER OF AGRICULTURE (SHRI AJIT SINGH)

(a) to (f): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF LOK SABHA STARRED QUESTION NO.90 DUE FOR REPLY ON 24TH FEBRUARY, 2003.

(a): The main features of National Agricultural Insurance Scheme (NAIS) are at annexure-I.

(b): NAIS is under implementation from Rabi 1999-2000 season. No State-wise targets are fixed under the scheme, as the scheme is voluntary in nature. However, coverage of farmers has increased from 105 lakh during 2000-2001 to 106.51 lakh during 2001-02. A Statement indicating State-wise coverage of farmers under NAIS is at annexure-II.

(c): The Scheme is optional for the States/ UTs. Presently the following States/ UTs are implementing the scheme : -

- i) Andhra Pradesh,
- ii) Assam,
- iii) Bihar,
- iv) Chhattisgarh,
- v) Goa,
- vi) Gujarat,
- vii) Himachal Pradesh,
- viii) Jammu & Kashmir,
- ix) Jharkhand,
- x) Karnataka,

- xi) Kerala,
- xii) Maharashtra,
- xiii) Madhya Pradesh,
- xiv) Meghalaya,
- xv) Orissa,
- xvi) Sikkim,
- xvii) Tamil Nadu,
- xviii) Tripura,
- xix) Uttar Pradesh,
- xx) Uttranchal,
- xxi) West Bengal,
- xxii) Pondicherry and
- xxiii) Andaman and Nicobar Islands.

A statement indicating the State/crop season-wise number of farmers benefited is at annexure-III.

(d) to (f): Some States/ Uts, such as Arunachal Pradesh, Haryana, Manipur, Mizoram, Nagaland, Punjab, Rajasthan, Chandigarh, Dadra & Nagar Haveli, Daman & Diu, Delhi, Lakshadweep, are not implementing the scheme because of certain reservations regarding sharing of risk between Centre and States; Contribution to Corpus Fund; difficulties in making available the required yield data etc.

Both the Government and the Implementing Agency (IA) have been persuading the States which are not implementing the scheme to adopt the scheme for the benefit of the farmers of the State. Meetings are also arranged, and provisions of the scheme are explained to the representatives of the State Governments.

The scheme is being uniformly implemented in all the implementing States/ UTs. However, 50% premium subsidy is paid to small and marginal farmers which is equally shared by the Central Govt. and the State Govt. concerned. Similarly, Corpus Fund is also contributed by the Central and State Government in the ratio of 1:1. In addition to this, Claims liability beyond 100% of the premium in case of food and oilseeds crops is shared equally by the Central and State Government.

Promotional activities like State/District level workshops, interactive live programmes on TV, stalls in National / Regional exhibitions/melas etc. are undertaken by the Implementing Agency to make the scheme popular.

Annexure-I

Salient features of the National Agricultural Insurance Scheme (NAIS)

(a) States & Areas covered : The Scheme is available to all States/ U.Ts.

(b) Crops covered : (i) food crops & oilseeds & (ii) annual commercial/ horticultural crops (at present eleven crops namely cotton, sugarcane, potato, onion, chillies, turmeric, ginger, jute, tapioca, annual banana and pine apple are covered). Other eligible crops under the group may be covered in due course subject to availability of requisite past yield data.

(c) Farmers covered : Covers all farmers, including sharecroppers, tenant farmers. Loanee farmers are covered on compulsory basis, while non-loanee farmers are covered on voluntary basis.

(d) Risks covered : Basically all natural non-preventable risks leading to yield losses are covered.

(e) Sum Insured : Sum insured can extend upto value of 150% of average yield. In case of loanee farmers the sum insured is equivalent to at least 100% of loan amount availed for the crop.

(f) Premium rates : Premium rates may range from 1.5% to 3.5% food crops & oilseeds and on commercial lines (actuarial basis) for annual commercial/ horticultural crops.

(g) Premium subsidy : Small/ Marginal farmers are eligible for premium subsidy @ 50% which is to be phased out on sun-set basis in a period of five years subject to review of financial results.

(h) Nature of scheme : It is a yield guarantee scheme operating on `Area approach` basis. If the actual average yield per hectare of the insured crop for the defined area (on the basis of requisite number of Crop Cutting Experiments) in the insured season, falls short of specified Threshold yield, all the insured farmers growing that crop in the defined area are deemed to have suffered shortfall in their yield and the scheme seeks to provide coverage against such contingency.

(i) Risk sharing : Implementing Agency (GIC) shall bear, until transition to actuarial regime is made, all claims upto 100% of premium for food crops & oilseeds and balance claims are shared between Govt. of India and States on 1:1 basis. In respect of annual commercial/ horticultural crops, Implementing Agency shall bear all claims upto 150% of premium in the first 3 years and 200% of premium thereafter.

(j) Corpus Fund : To meet catastrophic losses, a Corpus Fund is created with contributions from Central Government and participating States on 1:1 basis.

ANNEXURE-II

A STATEMENT INDICATING STATE-WISE COVERAGE OF FARMERS UNDER NAIS

S.NO. STATE Rabi 1999-2000 Kharif 2000 Rabi 2000-01 Kharif 2001 Rabi 2001-02

1	Andhra Pradesh	Not implemented	1771458	214908	1566032	209700
2	Assam	1401	990	1189	2312	2478
3	Bihar	Not implemented	166356	41845	51623	28839
4	Chhattisgarh (part of M.P.)	472383	5984	385202	6663	
5	Goa	79	993	213	669	27
6	Gujarat	14832	1118449	32241	1253560	26131
7	Himachal Pr	217	266	1159	1203	3541
8	Jharkhand (Part of Bihar)	(part pf Bihar)	1741	11509	1060	

9 Karnataka Not implemented 326735 40739 611039 66433
10 Kerala 22786 15573 21450 12341 18988

11 Madhya Pradesh 186910 868654 381598 863588 482114
12 Maharashtra 120543 2529322 420977 2540098 212780

13 Meghalaya Not implemented 736 1738 461 1443

14 Orissa 232836 682412 124202 627615 212162

15 Sikkim Not implemented Not implemented Not implemented 0 399

16 Tamil Nadu Not implemented 16071 94137 18557 145165

17 Tripura Not implemented Not implemented Not implemented Not implemented 131

18 Uttar Pradesh Not implemented 438410 510032 249422 341891

19. Uttranchal Not implemented Not implemented Not implemented Not implemented Not implemented

20 West Bengal Not implemented Not implemented 196362 372811 321733

21 Pondicherry 336 373 1218 246 998

22 A&N Islands Not implemented 193 N.A. 99 N.A.

Total 579940 8409374 2091733 8568387 2082676

ANNEXURE-III

DETAILS OF NUMBER OF FARMERS BENEFITED UNDER NAIS

S.NO. STATE Rabi 1999-2000 Kharif 2000 Rabi 2000-01 Kharif 2001 Rabi 2001-02

1 Andhra Pradesh Not implemented 125516 27462 288034 14833

2 Assam 34 52 46 97 361

3 Bihar Not implemented 15093 3408 5670 6766

4 Chhattisgarh (part of M.P.) 401705 0 0 702

5 Goa 33 58 0 605 0

6 Gujarat 7907 976569 7934 1670079 10512

7 Himachal Pr 2 0 864 0 0

8 Jharkhand (Part of Bihar) (part pf Bihar) 0 0 0

9 Karnataka Not implemented 21734 1407 324588 63399

10 Kerala 2726 9370 722 2117 421

11 Madhya Pradesh 4891 570093 176430 259047 135889

12 Maharashtra 39500 1056682 174371 463912 19973

13 Meghalaya Not implemented 43 150 49 257

14 Orissa 15 349161 25759 11113 18541

15 Sikkim Not implemented Not implemented Not implemented 0 0

16 Tamil Nadu Not implemented 22 3370 5589 63564

17 Tripura Not implemented Not implemented Not implemented Not implemented 0

18 Uttar Pradesh Not implemented 108906 82911 28656 61794

19. Uttranchal Not implemented Not implemented Not implemented Not implemented Not implemented

20 West Bengal Not implemented Not implemented 20716 423 52034

21 Pondicherry 172 0 900 0 104

22 A & N Islands Not implemented 23 N.A. 33 N.A.

Total 55288 3635027 526683 3060012 449150