

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

STARRED QUESTION NO:182
ANSWERED ON:19.07.2004
NATIONAL AGRICULTURAL INSURANCE SCHEME
Prasad Shri Hari Kewal

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government has taken steps to make National Agricultural Insurance Scheme (NAIS) more effective and to facilitate participation of farmers in the scheme;
- (b) if so, the details thereof and the extent of success achieved as a result thereof;
- (c) the names of the States from which proposals for changes in NAIS have been received during the last three years; and
- (d) the reaction of the Government thereto?

Answer

MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 182 DUE FOR REPLY ON 19TH JULY, 2004.

(a)&(b): National Agricultural Insurance Scheme (NAIS) introduced in Rabi 1999-2000 has been made more effective by enlarging its coverage of farmers, crops and risk commitment compared to erstwhile Comprehensive Crop Insurance Scheme (CCIS).

Agriculture Insurance Company of India (AIC) was incorporated in December, 2002 for exclusive implementation of NAIS.

As a result of these measures, at present, NAIS is being implemented by 23 States and 2 Union Territories. During the last eight crop season i.e. rabi 1999-2000 to Kharif 2003, total of 4.18 crore farmers are covered over an area of 6.50 crore hectare. Claims amounting to Rs.4472.85 crore have become payable as against the premium generated of Rs.1178.82 crore.

(c)&(d): States like Andhra Pradesh, Gujarat, Maharashtra, Karnataka, Orissa, Madhya Pradesh, Himachal Pradesh, Uttar Pradesh and Kerala have given various suggestions to improve further the scope and content of the scheme. Some of the suggestions given are as under:-

- ? Reduction of the unit area for yield assessment.
- ? Coverage of perennial horticultural crops.
- ? Speedy settlement of claims.
- ? Making the scheme optional for loanee farmers particularly in respect of commercial crops.
- ? Restoration and continuation of 50% premium subsidy to small and marginal farmers.
- ? Indemnity level should be 80% - 90%.
- ? Threshold yield should be calculated on the basis of yield data of best/normal 3-5 years.

The review process of NAIS has already been initiated. The suggestions given by the States are being looked into for appropriate decision.