

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

STARRED QUESTION NO:109
ANSWERED ON:31.07.2006
NATIONAL AGRICULTURAL INSURANCE SCHEME
Manoj Dr. K.S.;Patel Shri Kishanbhai Vestabhai

Will the Minister of AGRICULTURE be pleased to state:

- (a) The number of farmers benefited under National Agricultural Insurance Scheme (NAIS) during the last three years and the current year, State-wise;
- (b) The total funds released to farmers during the said period with the break-up of State and Central share therein, State-wise;
- (c) Whether the Government has received any complaints regarding the inordinate delay in sanctioning of insurance amount;
- (d) If so, the details thereof;
- (e) The action taken thereon;
- (f) Whether the Government has taken final decision on the recommendations of Joint Group constituted to study the improvement required in the existing scheme and to include more crops in NAIS; and
- (g) If so, the details thereof alongwith the changes made therein?

Answer

MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (g) OF LOK SABHA STARRED QUESTION NO. 109 DUE FOR REPLY ON 31ST JULY, 2006.

(a) : States-wise details of farmers benefited during the last three years (i.e. 2003-04 to 2005-06) are given in the Annexure.

(b): Financial liabilities including claims under the National Agricultural Insurance Scheme (NAIS) are shared between the Central and State Governments on 50:50 basis. No State-wise allocation of fund is made under the scheme. Funds are released to the Agriculture Insurance Company of India Ltd. (AIC), the implementing agency for the scheme, which in turn settle the admissible claims of farmers. Details of funds released to AIC under NAIS during the last three years and in the current year are given as under :-

(Rs. in crores)

Years	Funds released to AIC
2003-04	637.93
2004-05	350.00
2005-06	749.55

(including Rs. 0.55 crore for NER)

2006-07 275.00

(as on 4-7-2006)

State-wise details of claims settled/paid alongwith break-up of State, Central and AIC's share therein during the period 2003-04 to 2005-06 are given in the Annexure.

(c) to (e): Admissible claims under NAIS are worked out and settled by the AIC based on the yield data made available by the State

concerned. Normally, AIC settles the admissible claims within two months after the receipt of yield data from the concerned State Government provided the share of funds of the Central and State Government have been received by the AIC. But sometimes due to discrepancies in yield data, legal cases etc. settlement of claims are delayed. Therefore, some States/ farmers have complained from time to time about this. The Joint Group constituted to suggest the improvements required in the existing scheme has examined this issue and made recommendation regarding early settlement of claims. The Government is looking into the matter.

(f) & (g): After the report of the Joint Group was submitted it was circulated among the States/UTs and other concerned for their comments/views. The Joint Group in its report has given number of recommendations which include inter alia reducing the unit area of insurance to gram panchayat for major crops, improving the basis of calculation of threshold yield, higher indemnity level, coverage of pre-sowing risk, post-harvest losses and coverage of perennial crops. Most of the States/UTs have agreed to the suggestions given by the Joint Group. Based on the recommendations of the Joint Group, a proposal for review of NAIS is under consideration of the Government.