

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:907

ANSWERED ON:06.12.2004

CROP INSURANCE SCHEME

Chaudhary Shri Pankaj;Singh Shri Uday;Yadav Shri Baleshwar

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government has been studying recently to introduce three crop insurance schemes;
- (b) if so, the details and outcome thereof;
- (c) whether the existing crop insurance scheme have been proved ineffective for farmers; and
- (d) the action taken/proposed to be taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA)

(a),(b) & (d): A Joint Group has been set up to study the improvements required in the existing Crop Insurance Schemes. The terms of reference of the Group are:-

(i) To review the status position of existing Crop Insurance Schemes i.e. National Agricultural Insurance Scheme (NAIS), Pilot Project on Farm Income Insurance Scheme (FIIS), Varsha Bima Yojana and other Agriculture related schemes floated by Private General Insurance Companies.

(ii) Improvements required in NAIS.

(iii) To develop broad parameters/concept paper of an appropriate and farmers` friendly crop insurance scheme after taking in to account the professional inputs obtained from experts and private sector general insurance companies.

(iv) To make an assessment of up-front subsidy, if any, to be paid by the Government.

(c): National Agricultural Insurance Scheme (NAIS) is in operation since Rabi 1999-2000. During the last nine crop seasons (from Rabi 1999-2000 to Rabi 2003-04) 462 lakh farmers have been covered over an area of 743 lakh hectares insuring a sum of Rs.40272.81 crore. Total claims amounting to Rs.4751.77 crore have become payable as against the premium of Rs.1242.65 crore and about 1.58 crore farmers have been benefited under the scheme so far.

The Farm Income Insurance Scheme (FIIS) has been implemented in Rabi 2003-04 and Kharif 2004 seasons on pilot basis. A concurrent evaluation of the scheme is underway to decide the future of this scheme.