

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:1318

ANSWERED ON:14.07.2009

NATIONAL AGRICULTURE INSURANCE SCHEME

Antony Shri Anto;Khaire Shri Chandrakant Bhaurao;Mani Shri Jose K.;Meghwal Shri Arjun Ram

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the National Agriculture Insurance Scheme (NAIS) is under implementation;
- (b) if so, the details thereof alongwith the crops included and the norms for payment under the said scheme;
- (c) whether the Government proposes to amend the NAIS;
- (d) if so, the details thereof; and
- (e) the extent to which the farmers are likely to be benefited under the modified NAIS alongwith the likely additional financial liability on the Government as a result thereof during the current financial year?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a)&(b): Yes, Madam. National Agricultural Insurance Scheme (NAIS) is under implementation in the country from rabi 1999-2000 season. The scheme is available to all the States/UTs on voluntary basis i.e. States/UTs are free to opt in favour of the scheme. Till date, 27 States/UTs are implementing the scheme. The scheme envisages 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.

The scheme operates on area approach basis. Accordingly, the payment of claims in a notified area becomes payable if there is a short fall in yield against guaranteed yield due to any non-preventable risk. In other words, if the current season's yield is less than the threshold yield of the notified unit area for the insured crop, all farmers in the notified area growing insured crop become eligible for compensation.

(c)&(d): Yes, Madam. Based on the recommendations of the Joint Group on Crop Insurance constituted by the Government of India, a proposal on Modified National Agricultural Insurance Scheme (MNAIS) comprising reduction in the unit area of insurance; improved method of calculation of threshold yield; higher indemnity level; coverage of additional risks etc. has been prepared for the consideration of the Government.

(e): In view of improvements in the proposed Modified NAIS, more number of farmers would like to take insurance cover and hence, more number of farmers would be benefited by way of payment of compensation. As the scheme is yet to be finalized, financial liability of the Government can not be determined for the current financial year.