

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:6255
ANSWERED ON:04.05.2010
SHORTCOMINGS OF CROP INSURANCE SCHEMES
Singh Shri Rakesh

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether there are reports of shortcomings in regard to the production based and weather based crop insurance schemes;
- (b) if so, the details thereof; and
- (c) the remedial measures taken by the Government in this regard?

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): Yes, Madam.

(b): The shortcomings with respect to large unit area of insurance, inadequate indemnity level, broad-basis of calculation of threshold yield, delay in settlement of claims, inadequate coverage of risk etc. have been reported in National Agricultural Insurance Scheme (NAIS). As regards the pilot WBCIS, inadequate infrastructure of automatic weather stations/automatic rain-gauge stations has been noticed/reported especially at below district levels. An evaluation study has been awarded to Agriculture Finance Corporation Ltd. (AFC) for assessing its effectiveness and shortcomings.

(c): A proposal on Modified National Agricultural Insurance Scheme (MNAIS) incorporating improvements to overcome the shortcomings has been prepared by Government.