

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:2754

ANSWERED ON:10.08.2010

SUBSIDY ON PREMIUM OF CROPS

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Will the Minister of AGRICULTURE be pleased to state:

(a) the number of beneficiaries, area covered and percentage of claims settled under the Crop Insurance Schemes including Weather Based Crop Insurance Scheme in the country during the last three years and the current year, State-wise, year-wise and scheme-wise;

(b) whether there are differences in norms and implementation of the schemes;

(c) if so, the details thereof and reasons therefor;

(d) whether the Government envisages to amend the subsidy on premium of crops including horticulture crops; and

(e) if so, the details thereof and if not, the reasons therefor?

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): Information is provided in the Annexure-I & II.

(b) & (c): Yes, Madam. National Agricultural Insurance Scheme (NAIS) is a yield based and all risk scheme whereas Weather Based Crop Insurance Scheme (WBCIS) is an index based and single risk insurance scheme. Under NAIS, claims are worked out on the basis of yield data and under WBCIS on weather data. Settlement of claims is faster under WBCIS than NAIS. As the basis of these two schemes is different therefore, these schemes are implemented on different parameters.

(d) & (e): To overcome the shortcomings in the existing NAIS, a proposal on Modified National Agricultural Insurance Scheme (MNAIS) interalia changes in premium subsidy has been prepared by Government. An evaluation study has been awarded to Agriculture Finance Corporation Ltd. (AFC) for assessing effectiveness and suggesting improvements in the Pilot WBCIS.