

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:2021

ANSWERED ON:08.03.2011

COVERAGE UNDER CROP INSURANCE

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Will the Minister of AGRICULTURE be pleased to state:

- (a) the number of beneficiaries covered under various Crop Insurance Schemes being implemented in the country, schemewise and State-wise;
- (b) the details of risks covered under these schemes indicating the rate of premium, scheme-wise;
- (c) the funds sanctioned and released under these schemes, scheme-wise and State-wise;
- (d) the details of crop and area covered under these schemes in the country, Statewise;
- (e) the details of the insurance claims disbursed under these schemes during each of the last three years and the current year, scheme-wise and State-wise;
- (f) whether the Government has received complaints from farmers in regard to non-payment of insurance claims;
- (g) if so, the details thereof, State-wise; and
- (h) the steps taken by the Government to widen the scope of crop insurance?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI ARUN YADAV)

(a): Details are at Annexure - IA & IB.

(b): National Agricultural Insurance Scheme (NAIS) provides comprehensive risk insurance to cover yield losses due to non-preventable risks viz. natural calamities (fire & lightening, Storm, Hailstorm, Cyclone, Typhoon, Tempest, Hurricane, Tornado, Flood, Inundation and Landslide; Drought, Dry Spells; Pests/ Diseases etc.) and the cover is available from sowing till harvesting of crops. Flat rates of premium ranging between 1.5% and 3.5% (of sum insured) for food and oilseed crops and actuarial rates for annual commercial/horticultural crops, are being charged from the farmers under the NAIS. Under Weather Based Crop Insurance Scheme (WBCIS) crop losses on account of adverse conditions of weather parameters like deficit or excess rainfall etc. are covered. WBCIS is based on actuarial rates of premium but to make the scheme attractive, premium actually charged from farmers are restricted to at par with NAIS in case of food and oilseeds crops. The difference between actuarial rates and premium charged from farmers in respect of food and oilseed crops is shared by the Central and State Government on 50 : 50 basis.

(c): Crop insurance schemes are demand driven and therefore, no State-wise funds are allocated/sanctioned. The details of funds released are at Annexure IA & IB.

(d): Details of crops covered are at Annexure IIA and IIB. Details of area covered are at Annexure IA & IB.

(e): Details are at Annexure IA & IB.

(f): All the admissible claims are settled/paid as per provisions of the schemes. However, some complaints from farmers are received from time to time. Some of the complaints are: delayed payment of claims, under payment of claims on account of incorrect submission of insurance proposals by banks; unrealistic assessment of crop loss due to large unit area of insurance etc. All the complaints are suitably addressed to the extent possible.

(h): For widening the scope of crop insurance, continued efforts are made to create awareness about crop insurance schemes by the implementing agencies in coordination with states. The salient activities for campaigning involve the publicity of features & benefits of the schemes through advertisements in leading National/local News Papers, telecast through audio-visual media, distribution of pamphlets, participation in agriculture fairs / mela / gosti and organization of workshops / trainings etc.

To facilitate NAIS more farmers' friendly, some improvements have been incorporated in it and the Modified NAIS has been approved

for implementation on pilot basis in 50 districts from Rabi 2010-11.