

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:3158

ANSWERED ON:24.04.2012

CROP INSURANCE CLAIMS

Baitha Shri Kameshwar ;Hazari Shri Maheshwar ;Saroj Smt. Sushila;Upadhyay Seema;Verma Smt. Usha

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the insurance claims of the farmers under various crop insurance schemes were delayed due to lower allocation made during the Xth and XIth Five Year Plans;

(b) if so, the details thereof and the reasons therefor indicating the total amount of the claims made and the allocations made during the said period;

(c) the number of insurance claims made under various schemes alongwith the number of claims cleared/paid, rejected and kept pending during the XIth Five Year Plan, year-wise; and

(d) the per acre amount fixed for insurance claims under the said schemes alongwith the criteria adopted for calculating the said amount?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE, FOOD PROCESSING INDUSTRIES AND PARLIAMENTARY AFFAIRS (SHRI HARISH RAWAT)

(a) & (b): Crop Insurance Schemes are demand driven and therefore requirement of funds depends on performance of monsoon rainfall and other weather parameters. Only under National Agricultural Insurance Scheme (NAIS), settlement of claims is the responsibility of Central and State Governments on equal sharing basis. Sometimes due to reporting of excessive claims and inadequate budgetary provisions by the States, there may be delays in settlement of claims to such States. As against GOI liability of Rs. 8059 crore fallen due towards settlement of claims under NAIS during Xth & XIth Plan, sufficient funds of Rs. 8546 crore were provided inclusive of other liabilities of the Government. Under the provisions of NAIS, a State Level Coordination Committee on Crop Insurance (SLCCC) has been constituted by the implementing States for the purposes of overseeing the implementation of the scheme and to take corrective measures including settlement of claims.

(c): Details are at Annexure.

(d): According to provisions of NAIS & MNAIS, if the actual average yield per hectare of the insured crop for the defined area (on the basis of requisite number of Crop Cutting Experiments) in the insured season, falls short of specified Threshold yield, the claims in the defined area are calculated as per the following formula :

$$\text{Claim} = \frac{\text{Shortfall in Yield}}{\text{Threshold Yield}} \times \text{Sum Insured}$$

(Shortfall = Threshold Yield - Actual Yield for the defined area)

The claims payout under WBCIS per acre/hectare is based on cost of cultivation of crops and pre-defined parameters given in the Term Sheets of insurance products.