

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

STARRED QUESTION NO:111
ANSWERED ON:05.03.2013
CROP INSURANCE SCHEMES
Gandhi Shri Dilip Kumar Mansukhlal;Sinh Dr. Sanjay

Will the Minister of AGRICULTURE be pleased to state:

- (a) the criteria followed by the Government for settlement of claims under the Crop Insurance Schemes;
- (b) whether several State Governments and farmers' associations have suggested radical changes in the present Crop Insurance Schemes;
- (c) if so, the details thereof and the suggestions accepted by the Government, so far;
- (d) the details of the revised Crop Insurance Schemes; and
- (e) the steps taken/proposed to be taken by the Government to ensure that the farmers are adequately compensated for the crop loss due to natural calamities?

Answer

MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 111 DUE FOR REPLY ON 5TH MARCH, 2013.

(a) to (e): National Agricultural Insurance Scheme (NAIS) and Modified NAIS (MNAIS) are implemented on yield index based area approach i.e. claims under these schemes are payable if the actual average yield of the insured crop in the defined area, as obtained through Crop Cutting Experiments (CCEs) conducted by the respective State Governments, falls short of the specified threshold yield which is the average yield of that crop in that area for the past 3/5 years.

Under Weather Based Crop Insurance Scheme (WBCIS), claims are paid in the eventuality of breach of specified weather triggers like rainfall, temperature, humidity, etc.

Several State Governments and farmers' associations have suggested various changes in the insurance schemes including, inter-alia, reduction in unit area of insurance, delinking from crop loans, reduction of insurance premia, etc. Government have, accordingly, introduced Modified National Agricultural Insurance Scheme for implementation on pilot basis from Rabi 2010-11 in 50 districts. The following improvements have been made in MNAIS:-

- Unit area of insurance for major crops reduced to village / village panchayat level,
- Actuarial premiums with Government subsidy upto 75%,
- Liability of claims entirely on insurer,
- Minimum indemnity level increased to 70% from 60%,
- Coverage of prevented sowing / planting risks,
- Coverage of post harvested losses due to cyclone in coastal areas,
- Coverage of localized losses due to hailstorm & land-slides,
- On account payment upto 25% of likely claims as advance for immediate relief,

In addition, assistance is provided under State Disaster Response Fund (SDRF)/National Disaster Response Fund (NDRF) in the eventuality of crop loss due to natural calamities.