

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:3265
ANSWERED ON:17.03.2015
SUBSIDY ON PREMIUM PAID FOR CROPS
Patil Shri A.T. (Nana)

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government has provided any subsidy to the farmers on premium paid for the crops lost due to natural calamities like drought;
- (b) if so, the details thereof during the XII Five Year Plan period along with the guidelines in this regard;
- (c) whether the Government has received any demand from the State Government of Maharashtra in this regard; and
- (d) if so, the action taken by the Government thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI MOHANBHAI KUNDARIA)

(a) & (b): Yes, Madam. 10% subsidy in premium is available to small and marginal farmers under National Agricultural Insurance Scheme (NAIS). Under Modified National Agricultural Insurance Scheme (MNAIS), Weather Based Crop Insurance Scheme (WBCIS) and Coconut Palm Insurance Scheme (CPIS), the component schemes of 'National Crop Insurance Programme' (NCIP), premium subsidy up to 75%, 50% and 75% respectively is available to farmers who have insured their crops, which is shared equally between Centre and State Governments. Under NAIS, claims beyond 100% of premium are paid by the Government & shared equally between Centre and State Governments. Under MNAIS, WBCIS and CPIS liability for payment of claims rests with the insurance companies.

Details of funds released by Central Government as its share under various crop insurance schemes during XII Five Year Plan are as under:

| Year | Funds provided (Rs. in crore) |
|---------|----------------------------------|
| 2012-13 | 1549.68 |
| 2013-14 | 2551.12 |
| 2014-15 | 2354.17 |

(as on date)

(c) & (d): As per provisions of the Crop Insurance Schemes, demand for funds from the State Governments is not required. Subsidy in premium and claims, if any, as informed by the insurance companies are worked out and paid as per the provisions of the schemes.