

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:207

ANSWERED ON:21.07.2015

Compensation to Potato, Coconut and Areca Nut Growing Farmers

Kateel Shri Nalin Kumar

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether it is true that compensation to potato, coconut and areca nut farmers who had lost crops due to heavy rain and drought very meagre;
- (b) if so, the details along with the guidelines framed to fix the compensation;
- (c) whether the Government is aware that the amount of compensation is fixed without an in-depth study of the loss of the crops;
- (d) if so, the details thereof;
- (e) whether the Government proposes to draft the new guidelines to fix the amount of compensation to farmers affected by natural calamities including drought; and
- (f) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE

श्री मोहनभाई कुन्दरिया (SHRI MOHANBHAI KUNDARIA)

(a) to (f): In order to protect farmers against crop failure due to natural calamities, pest & diseases, weather conditions, Government of India has recently introduced the National Crop Insurance Scheme (NCIP) with component schemes of Modified National Agricultural Insurance Scheme (MNAIS), Weather Based Crop Insurance Scheme (WBCIS) and Coconut Palm Insurance Scheme (CPIS). Potato, Coconut and Areca Nut are covered under one or more schemes mentioned above.

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Crop insurance is a financial tool to insure farmers crop losses on payment of admissible premium to the insurance company. Under the crop insurance schemes claims are paid to only those farmers who insured their crops and paid premium under any of the notified crop insurance scheme in the notified area by the State Government. Admissible claims are worked out and paid as per the provisions of the respective schemes and not on any other basis like by the team sent by the Government of India, declaration of drought/flood etc. by the State/Central Government. 97316 potato, areca nut and coconut farmers have been benefitted as on 17.7.2015.

In addition, Ministry of Home Affairs has issued orders on items and norms of assistance under State Disaster Response Fund (SDRF)/National Disaster Response Fund (NDRF). The items of norms of assistance, is reviewed comprehensively after the award of successive Finance Commission. The norms provide assistance under list of natural calamities including drought. Taking into account various factors including the price rise, the Government of India, Ministry of Home Affairs has issued order on revised items and norms of assistance under State Disaster Response Fund (SDRF) on 8th April, 2015. In addition, norms are revised from time to time, depending upon requirement.

The extant norms inter-alia provide for assistance to the farmers in the form of Horticulture Input Subsidy (where crop loss is 33% and above) for damage caused to all types horticulture cropped areas due to the notified natural calamities. The assistance is enhanced from Rs.12000/- to Rs.18,000/- per ha. for all type of perennial crops, subject to minimum assistance not less than Rs.2000/- and restricted to sown areas. Financial assistance under SDRF/Natural Disaster Response Fund (NDRF) in the wake of natural calamities is by way of relief and is not for compensation of loss as suffered.
