

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:2454
ANSWERED ON:04.08.2015
Fast Tracking of National Crop Insurance Scheme
Tamta Shri Ajay

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether it is a fact that the Government is contemplating on fast tracking the National Crop Insurance Scheme in the light of recent agricultural crisis due to unseasonal rains, floods and other natural phenomenon in the country, if so, the details thereof;
- (b) the incentives being proposed by the Government to the farming community to cope up with the crisis;
- (c) whether the farmers in the hilly State of Uttarakhand have suffered crop damage due to heavy rainfall during the last three months and most of these farmers are not covered under any insurance scheme; and
- (d) if so, the measures taken by the Government to cover all the farmers of Uttarakhand under crop insurance scheme?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE

???? ?????????? ??? ?????? ??????? (SHRI MOHANBHAI KUNDARIA)

(a) & (b): As per provisions, admissible claims under yield based crop insurance schemes namely National Agricultural Insurance Scheme (NAIS) and Modified National Agricultural Insurance Scheme (MNAIS) are settled within one month of receipt of yield data from concerned State Government. Whereas under index based scheme namely Weather Based Crop Insurance Scheme (WBCIS) claims are settled within 45 days of completion of risk period. However, to fast-track the early settlement of claims due to untimely rains & hailstorm during Rabi 2014-15 under various crop insurance schemes including National Agricultural Insurance Scheme, Chief Secretaries of the affected States have been requested to expedite the assessment of yield losses in association with concerned insurance companies at the earliest. Insurance Companies have also been directed to expedite the assessment of losses based on weather parameters (under Weather Based Crop Insurance Scheme) and individual basis (under localized risks) for early settlement of claims and also on account payment (25% of likely claims) to the farmers. Besides,

the standing guidelines of Reserve Bank of India (RBI) provide for rescheduling of short term crop loans upon declaration of natural calamity including drought. Such rescheduling of crop loans converts them into term loans for which normal rate of interest is applicable.

(c) & (d) : Various States including Uttarakhand have suffered crop damage due to heavy rainfall and hailstorm during Rabi 2014-15 season. As per provisions of Government sponsored crop insurance schemes, State Governments are free to notify any crop/area in the State. Further, the crop insurance schemes are compulsory for loanee farmers availing crop loans for notified crops in notified areas and voluntary for non-loanee. Government of India has been persuading the States including Uttarakhand to notify all eligible crops and areas under the crop insurance schemes for the benefit of the farmers of the State.
