

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

STARRED QUESTION NO:382

ANSWERED ON:05.08.2014

CROP INSURANCE

Reddy Shri Konda Vishweshwar;Reddy Shri Ponguleti Srinivasa

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the agriculture profession is inherently risk prone and susceptible to the vagaries of nature and if so, the details thereof;
- (b) whether the Government has made any qualitative and quantitative assessment of the nature of risks involved for the major crops as a result of climate/weather change and localised calamities and if so, the details thereof including major crops classified as risk prone crops, region-wise;
- (c) whether the risk assessment and other data is shared with the Agriculture Insurance Company of India Limited (AICI) and other private insurance players and if so, the details thereof;
- (d) whether the existing National Agricultural Insurance Scheme adequately covers all the risks involved in the agriculture sector and provide security to the farmers including small and medium farmers in terms of insurance cover to their crops; and
- (e) if so, the details thereof and if not, the remedial steps taken or being taken by the Government to address the issue?

Answer

MINISTER OF AGRICULTURE (SHRI RADHA MOHAN SINGH)

(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. 382 DUE FOR REPLY ON 5TH AUGUST, 2014.

(a) & (b): Yes, Madam. Indian agriculture is susceptible to vagaries of nature like droughts, floods, hailstorms, unseasonal rains, heat and cold waves and cyclones. Nearly 60% of the net sown area under rainfed farming is particularly risk prone due to inadequate, untimely and uneven distribution of rainfall which disincentivises adoption of high yielding varieties (HYVs) of seeds, fertilizers and other costly inputs to maximize crop productivity. Climate change including extreme weather events further impact food security and sustainability. The impact of climate change on agriculture has been assessed by Indian Council of Agricultural Research (ICAR) using crop simulation models projecting reduction in crop yields for irrigated maize, wheat, irrigated and rainfed rice to the extent of 18, 6, 4 and 6 percent respectively by 2020. The major crops identified as risk prone to climate change are rice and wheat in the Indo-Gangetic Plains; rice and sorghum in rainfed regions, kharif maize in irrigated zones and potato in West Bengal and southern plateau region.

(c): The reports prepared by ICAR are available in the public domain and are accessible to all stakeholders including Agriculture Insurance Company of India Ltd. and other private insurance companies.

(d) & (e): Under National Agricultural Insurance Scheme (NAIS), farmers get comprehensive risk coverage for standing crops against non-preventable risks, viz. natural fire, lightning, storm, hailstorm, cyclone, typhoon, tempest, hurricane, tornado, flood, inundation, landslide, drought, dry spells, pests / diseases, etc. Small and marginal farmers get 10% subsidy in premium under the scheme. Under Modified National Agricultural Insurance Scheme (MNAIS), an improved version of NAIS, being implemented since Rabi 2013-14, additional risks viz. preventing sowing / planting risks and post harvest losses arising out of cyclonic rains in coastal areas are also included.