

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

STARRED QUESTION NO:131

ANSWERED ON:02.12.2014

CROP INSURANCE SCHEME

Chaudhary Shri Babulal;Raut Shri Vinayak Bhaurao

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government has launched a new crop insurance scheme and modified the National Agricultural Insurance Scheme to provide more relief to the farmers in the country;
- (b) if so, the details thereof along with the salient features of the scheme;
- (c) whether the Government has any proposal to allow select private sector insurance companies to participate in the Modified National Agricultural Insurance Scheme and if so, the details thereof;
- (d) the details of the funds allocated for the implementation of the scheme during the last three years and the current year; and
- (e) the details of the crops which are covered under the scheme and the number of the farmers benefited thereunder?

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. 131 DUE FOR REPLY ON 2ND DECEMBER, 2014.

(a) & (b): Yes, Madam. The National Crop Insurance Programme (NCIP), comprising of Modified National Agricultural Insurance Scheme (MNAIS), Weather Based Crop Insurance Scheme (WBCIS) and Coconut Palm Insurance Scheme (CPIS), was introduced for implementation w.e.f. Rabi 2013-14 and National Agricultural Insurance Scheme (NAIS) rolled back simultaneously. However, based on representations from some States, NAIS was allowed to be implemented during Rabi 2013-14. Again, all State Governments / UT Administrations have been given the option to implement either NAIS or MNAIS in 2014-15.

The salient features of the MNAIS are :

reduction in Unit Area of Insurance to village/ village Panchayat level.

actuarial premium rates are charged with a provision of subsidy up to 75% of premium, which is shared by the Central and State Governments on 50 : 50 basis;

entire liability of claims is on the implementing insurance companies;

it is compulsory for loanee farmers and optional for non-loanee farmers;

risk coverage for pre-sowing/prevented sowing and for post harvest losses due to cyclone in coastal areas;

on account payment up to 25% of likely claims as immediate relief in the areas which suffer at least 50% crop yield loss;

more proficient basis for calculation of threshold yield;

two higher indemnity levels of 80% & 90%.