

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:3821  
ANSWERED ON:16.12.2014  
CROP INSURANCE  
Singh Shri Virendra

**Will the Minister of AGRICULTURE be pleased to state:**

- (a) the details of the policy of the Government relating to the insurance companies of the private as well as the public sectors;
- (b) the efforts being made by the Government to extend the scope of agricultural insurance;
- (c) the number of private companies engaged in crop insurance sector;
- (d) the percentage of participation of private companies in the crop insurance sector (in percentage);
- (e) whether the IRDA has fixed the target for private companies to generate two to five percent of their total business from crop insurance;
- (f) if so, the number of companies who have achieved the said target; and
- (g) whether keeping in view the rise in the number of suicides by the farmers , the Government proposes to introduce any compulsory universal Agriculture Insurance Scheme?

**Answer**

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

(a): To increase the coverage in terms of farmers/ area and also to create competition in Crop Insurance field, Government had decided to include private general insurance companies alongwith Agriculture Insurance Company of India Ltd. (AIC) for implementation of National Crop Insurance Programme (NCIP).

(b): With a view to provide insurance coverage & financial support to the farmers in the event of failure of any of the notified crops as a result of non-preventable risks including natural calamities, pests & diseases, adverse weather conditions and to stabilize farm income, Government of India introduced Crop Insurance Schemes since 1985. Improvement, in existing Crop Insurance Schemes to make the same attractive and farmers' friendly with a view to extend the scope and coverage in terms of crop area, crops and risk is continuing process. At present, about 65 crops are covered and more than 25% of cropped area is insured.

(c) & (d): Ten private general insurance companies are empanelled for implementation of crop insurance schemes. Details of percentage share of private insurance companies viz-a-viz AIC during 2013-14 is as under :

Company	Farmers Covered		Sum Insured (Rs. in lakhs)	
	Khharif 2013	Rabi 2013-14	Khharif 2013	Rabi 2013-14
AIC	77%	50%	85%	53%
Private Companies	23%	50%	15%	47%

(e): No, Madam. However, Insurance Regulatory & Development Authority Regulations 2002 envisage such provision in respect of rural sector and social sector.

(f): Does not arise.

(g): No such proposal is under consideration of the Government.