

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:2538

ANSWERED ON:16.08.2004

CROP INSURANCE SCHEME

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

- (a) Whether the Government propose to give 75 per cent grant on premium of the farmers to make the crop insurance successful;
- (b) If so, the details thereof;
- (c) Whether the Government has any proposal to implement crop insurance schemes for farmers as reported in `Rashtriya Sahara` dated July 7, 2004;
- (d) If so, the details thereof alongwith the names of the insurance schemes;
- (e) Whether the crops affected due to flood are provided insurance coverage;
- (f) If so, the details thereof;
- (g) The `method to be adopted for assessment of compensation to be made through insurance; and
- (h)The States where said scheme have been introduced ?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA)

(a)&(b) : 75% premium subsidy to small and marginal farmers is being paid under Pilot Project on Farm Income Insurance Scheme (FIIS). The scheme is being implemented since rabi 2003-04 on pilot basis in selected districts of the country.

(c)&(d) : National Agricultural Insurance Scheme (NAIS), Pilot Project on FIIS and Rainfall Insurance (Varsha Bima) are being implemented, at present by Agriculture Insurance Company of India Ltd. (AIC).

(e)&(f) : Comprehensive risk insurance which includes flood besides other natural calamities is provided to cover yield losses of msurable crops.

(g) : If the actual yield of the insured crop for the defined area, falls short of the specified threshold yield, all the insured farmers growing that crop in the defined area are deemed to have suffered shortfall in their yield and hence become eligible for insurance compensation to the extent of indemnity under NAIS. As per Pilot Project on FIIS if the actual income of the farmer falls short of the

guaranteed income (product of average yield and MSP) of the fanners they become eligible for compensation to the extent of indemnity.Under Rainfall Insurance, a relationship between the crop loss suffered by the farmers due to rainfall deviation and the indemnities is established. Based on this relationship the admissible claims are paid.

h) : The States/UTs where these schemes are being implemented are as under :- NAIS 23 States & 2 UTs :

Andhra Pradesh, Assam, Bihar, Chhattisgarh, Goa, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Kamataka, Kerala, Madhya Pradesh, Maharashtra, Meghalaya, Orissa, Rajasthan, Sikkim, Tamilnadu, Tripura, Uttar Pradesh, Uttaranchal, West Bengal, Andaman & Nicobar Islands and Pondicherry. FIIS Andhra Pradesh, Chhattisgarh, Gujarat, Jharkhand, Maharashtra and West Bengal. Rainfall Insurance Kamataka, Uttar Pradesh, Rajasthan and Andhra Pradesh.