

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE
RAJYA SABHA
QUESTION NO 27.11.2009
ANSWERED ON
INDEMNITY LEVELS UNDER NAIS .

930

SHRI M.V. MYSURA REDDEY

Will the Minister of COALCOALAGRICULTURE be pleased to state :-

- (a) whether it is a fact that under the National Agricultural Insurance Scheme, there are three levels of indemnity i.e. at 60 per cent, 80 per cent and 90 per cent for insured crops;
- (b) if so, the rationale behind having three levels of indemnity/protection for insured crops;
- (c) whether it is also a fact that many States, including Andhra Pradesh, have been demanding for having only one level of indemnity at 90 per cent; and
- (d) if so, the requests so far received and the action taken by his Ministry thereon?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION)

(SHRI K.V. THOMAS)

(a)&(b): Yes, Sir. There are three levels of indemnity i.e. 90%, 80% and 60% corresponding to low risk, medium risk and high risk areas, available under National Agricultural Insurance Scheme (NAIS) for all the crops based on coefficient of Variation, which reflect the variability in the yield data of past 10 years of a crop in a notified area.

(c)&(d): Yes, Sir. During the course of implementation of the scheme some implementing States/UTs including Andhra Pradesh have suggested one level of indemnity at 90 percent under the scheme. Keeping in view the suggestions of States/UTs and other stake-holders, a Joint Group was constituted by the Government, to study the improvements required in the existing crop insurance schemes. The Group has reviewed the scheme and made important recommendations including that for indemnity levels. Based on these recommendations a proposal on Modified NAIS has been prepared.