

GOVERNMENT OF INDIA  
MINISTRY OF AGRICULTURE AND FARMERS WELFARE  
DEPARTMENT OF AGRICULTURE, COOPERATION AND FARMERS WELFARE

**LOK SABHA**  
**UNSTARRED QUESTION NO. 536**  
TO BE ANSWERED ON THE 6<sup>TH</sup> FEBRUARY, 2018

**INSURANCE SCHEMES FOR ORGANIC FARMS**

536. SHRI JUGAL KISHORE:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) whether the Government has any plan/proposal to introduce any special insurance schemes for organic farms which will reduce the risk of farmers in case of crop failure, if so, the details thereof; and
- (b) whether the Government has any plan/proposal to provide loan at cheaper interest with least formalities for promoting organic farming in the country, if so, the details thereof?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्रालय में राज्य मंत्री (SHRI GAJENDRA SINGH SHEKHAWAT)

(a): Pradhan Mantri Fasal Bima Yojana (PMFBY), introduced from Kharif 2016 season provides comprehensive risk insurance to the crops in areas notified by the concerned State Governments on area approach basis for wide spread calamities viz. drought, flood, pest and diseases, cyclone etc. and on individual basis for localized risks of hailstorm, landslide and inundation and post harvest losses due to unseasonal rains. The scheme envisages coverage of all food, oilseeds and annual commercial/horticultural crops subject to availability of yield data of past years and capacity of the State Government to conduct requisite number of Crop Cutting Experiments in the notified insurance unit area for loss assessment. Crops are generally notified by the States as general terms without any specification i.e. organic or other category of crops. However, crops can be notified as irrigated and unirrigated by the concerned State Government. There is no proposal under consideration, at present for specific coverage of organic farms under PMFBY.

(b): The Government is already providing interest subvention to make short-term crop loans including loans to organic crops upto Rs. 3 lakh for a period of one year available to farmers at the interest rate of 7% per annum and in case of timely repayment, the same gets reduced to 4%. Government has also extended this for private sector scheduled commercial banks in respect of loans given within the service area of the branch concerned.

Further, in order to discourage distress sale by farmers and to encourage them to store their produce in warehouses against warehouse receipts, the benefits of interest subvention scheme has also been extended to small and marginal farmers having Kisan Credit Card for a further period upto six months post harvest on the same rate as available to crop loan against negotiable warehouse receipt for keeping their produce in warehouses accredited by Warehousing Development Regulatory Authority (WDRA).

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