

## Appendix-A

(Refer to paragraph 1.1.6)

## COMPARISON BETWEEN NATIONAL AGRICULTURAL INSURANCE SCHEME (NAIS), MODIFIED NATIONAL AGRICULTURAL INSURANCE SCHEME (MNAIS) AND PRADHAN MANTRI FASAL BIMA YOJANA (PMFBY)

S. No.	PARAMETERS	NAIS	MNAIS	PMFBY
1.	<b>States covered</b>	All states and UTs opting for the scheme	Same as NAIS	Same as NAIS
2.	<b>Farmers covered</b>	All farmers including sharecroppers and tenant farmers growing the notified crops in the notified areas were eligible for coverage. Scheme was compulsory for farmers availing crop loans and voluntary for others.	Same as NAIS	Same as NAIS
3.	<b>Risks covered</b>	'All risk' insurance	'All risk' with added advantage of sowing failure cover.	Same as MNAIS
4.	<b>Crops covered</b>	(a) Food crops (cereals, millets, pulses) and oilseeds (b) Annual Commercial (sugarcane, cotton, potato, onion, ginger, banana, etc.)/Horticultural crops	Same as NAIS	Same as NAIS
5.	<b>Insurance unit</b>	Unit area of insurance may be a gram panchayat, mandal, hobli, circle, phirka, block, taluka, etc.	Unit area to be reduced to village / village panchayat or other equivalent unit for all crops.	Ordinarily insurance unit to be village / village panchayat for major crops and higher than village/village panchayat like block, taluka for other crops.

6.	<b>Threshold Yield</b>	Average of last three years for wheat and rice and five years for other crops multiply by indemnity level	Average of last seven years excluding maximum two calamities years for all crops multiply by indemnity level	Same as MNAIS.
7.	<b>Sum insured</b>	Loanee farmers – Equivalent to the amount of loan availed. Non-loanee farmers –Upto value of 150 <i>per cent</i> of average yield.	In case of loanee farmers-Equivalent to the ‘cost of cultivation’ and is pre-declared by SLCCCI and notified. Sum insured will be at least equal to amount of crop loan sanctioned/advanced. Non-loanee farmers -Equivalent to sum insured upto value of 150 <i>per cent</i> value of average yield.	Same as MNAIS
8.	<b>Premium rate</b>	<u><b>Kharif season</b></u> 3.5 <i>per cent</i> - Oilseeds and bajra 2.5 <i>per cent</i> - Cereals, millets & pulses <u><b>Rabi season</b></u> 1.5 <i>per cent</i> - Wheat 2 <i>per cent</i> - Other food and oilseeds crops Actuarial premium for Annual commercial/ horticultural crops	Actuarial premium as well as net premium rates (premium rates actually payable by farmers after premium subsidy) for each notified crop through standard actuarial methodology in conformity with provisions of IRDA.	a. Maximum premium of 2 <i>per cent</i> of sum insured for <i>Kharif</i> (food & oilseed) crops. b. 1.5 <i>per cent</i> of sum insured for <i>Rabi</i> (food and oilseed) crops; and c. 5 <i>per cent</i> of sum insured for Annual commercial/ horticultural crops.
9.	<b>Premium Subsidy</b>	10 <i>per cent</i> to small and marginal farmers only, to be shared equally between Centre and states.	Actual premium with subsidy upto 75 <i>per cent</i> to all farmers, to be shared equally between Centre and states.	The difference between the Actuarial Premium Rate (APR) and insurance charges payable by farmers shall be provided by Governments as subsidy, and shall be shared equally by the Centre and states.
10.	<b>Indemnity level</b>	Three level of indemnity – 90 <i>per cent</i> , 80 <i>per cent</i> and 60 <i>per cent</i> (low/medium/high risk areas) were available for all crops. The	The minimum Indemnity level increased to 70 <i>per cent</i> from 60 <i>per cent</i> from NAIS.	(a) 70 <i>per cent</i> , 80 <i>per cent</i> and 90 <i>per cent</i> based on the risks experiences and coefficient of

		insured farmers may opt for higher level of Indemnity on payment of additional premium		variation in the past 10 years. (b) Assigned at group of districts
11.	<b>Implementing Agency (IA)</b>	GIC till March 2003 and AIC thereafter.	Both AIC and empanelled private insurance companies were eligible for appointment as IAs at district level based on lowest premium quoted by them for specific season.	Both AIC and empanelled private insurance companies were eligible for appointment as IAs. In smaller states, one IA was to be appointed. In larger states, two or three IAs could be appointed. Selection of IA may be made for at least 3 years
12.	<b>Claim Liability</b>	In case of food crops and oilseeds, claim liability of upto 100 <i>per cent</i> of premium collected was to be borne by the AIC. Thereafter, the Centre and state governments shared the liability equally. In the case of Annual commercial/horticultural crops, claim liability beyond 150 <i>per cent</i> of premium in the first three or five years and beyond 200 <i>per cent</i> thereafter, equally shared by Centre and state governments.	All claims were to be borne by the IAs. To protect IAs, against overall loss exceeding 500 <i>per cent</i> of gross premium, a Catastrophe Fund at national level was to be set up with contribution of Centre and state governments.	All claim liabilities on insurer and claim liability beyond 350 <i>per cent</i> of premium collected or 35 <i>per cent</i> of sum insured at national level to be shared equally by the Centre and state governments.
13.	<b>Seasonality Discipline</b>	Broad seasonality discipline for Loanee/Non-Loanee farmers were as under: Loanee farmers: <i>Kharif season</i> - November and for <i>Rabi season</i> - May Non-loanee farmers: <i>Kharif season</i> -31 <sup>st</sup> July and for <i>Rabi season</i> - 31 <sup>st</sup> December.	The broad seasonality discipline for Loanee/Non-Loanee farmers were as under: <i>Kharif season</i> -31 <sup>st</sup> July <i>Rabi season</i> - 31 <sup>st</sup> December	Same as MNAIS

<b>14.</b>	<b>Use of better technologies for yield estimation</b>	Yield estimation through traditional CCEs.	Pilot studies for yield estimation through use of Remote Sensing Technology (RST).	Provision for adoption of RST, drone and other technologies in yield estimation and categorization of number of CCEs after validation by pilot studies. Use of Smartphone apps for accurate and fast transmission of CCE data to facilitate early settlement of claims.
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## Appendix-B

(Refer to paragraph 1.1.6)

## COMPARISON BETWEEN WEATHER BASED CROP INSURANCE SCHEME (WBCIS) AND RESTRUCTURED WEATHER BASED CROP INSURANCE SCHEME

S. No.	PARAMETER	WBCIS	RESTRURED WBCIS
1.	<b>States covered</b>	All states and UTs opting for the scheme.	All states and UTs opting for the scheme
2.	<b>Farmers covered</b>	All farmers including sharecroppers and tenant farmers growing the notified crops in the notified areas were eligible for coverage. The scheme was compulsory for farmers availing crop loans and voluntary for others.	Same as WBCIS
3.	<b>Risks covered</b>	Adverse weather conditions like deficit/excess, rainfall, high/low temperature, dry/humidity, hailstorm, etc.	Same as WBCIS
4.	<b>Crops covered</b>	(a) Major Food crops (cereals, millets pulses) and Oilseeds, (b) Annual Commercial/horticultural crops	Same as WBCIS
5.	<b>Insurance unit/Reference Area (RUAs) Unit</b>	Village panchayat/revenue circle/mandal/hobli/block/tehsil, etc.	Same as WBCIS
6.	<b>Data requirement</b>	Data recorded by the Reference Weather Stations (RWS) for RUAs.	Same as WBCIS
7.	<b>Sum insured</b>	Loanee farmers – Equivalent to the amount of loan availed. Non-loanee farmers –Have flexibility to insure smaller amount but not less than 50 <i>per cent</i> of sum insured.	The sum insured will be same for loanee and non-loanee farmers, based on the scale of finance as decided by the District Level Technical Committee. Sum insured for individual farmer is equal to the sum insured multiple by acreage of the notified crop.

8.	<b>Premium rate</b>	Actuarial premium with premium subsidy up to 50 <i>per cent</i> shared equally by the Centre and state governments.	Premium rate at par with PMFBY as under: <ul style="list-style-type: none"> <li>➤ Maximum premium of 2 <i>per cent</i> of sum insured for <i>Kharif</i> food and oilseed crops.</li> <li>➤ 1.5 <i>per cent</i> of sum insured for <i>Rabi</i> food and oilseed crops; and</li> <li>➤ 5 <i>per cent</i> of sum insured for Annual commercial/ horticultural crops.</li> </ul>
9.	<b>Premium subsidy</b>	Subsidy upto 50 <i>per cent</i> to all farmers shared equally by the Centre and state governments.	The difference between the Actuarial Premium Rate (APR) and insurance charges payable by farmers is subsidised equally by the Centre and state governments.
10.	<b>Implementing Agency (IA)</b>	Both AIC and empanelled private insurance companies were appointed as IAs at district level based on lowest premium quoted by them.	Same as WBCIS
11.	<b>Claim liability</b>	All claims were to be borne by the IAs.	Same as WBCIS
12.	<b>In-season settlement of claims</b>	The claims were settled on the basis of weather data recorded by RWSs. Claim process started on receipt of weather data.	Same as WBCIS
13.	<b>Seasonality discipline</b>	Loanee and non-loanee farmers for <i>Kharif season-31<sup>st</sup></i> July and for <i>Rabi season- 31<sup>st</sup></i> December	Same as WBCIS
14.	<b>Use of better technologies for yield estimation</b>	No specific parameters for establishment of AWSs.	New AWSs planned to be established under PPP model with support from GOI by following the guidelines for setting up AWSs by private agencies.