



ABSTRACT

Agriculture – Re introduction of National Agricultural Insurance Scheme (NAIS) on existing pattern during 2014-15 – Modified National Agriculture Insurance Scheme under National Crop Insurance Programme for Kharif 2014 and National Agriculture Insurance Scheme for Rabi 2014-2015 Rs.64.565 Crores towards settlement of 50% premium subsidy to cover 8.50 lakhs farmers sanctioned – Orders – Issued.

Agriculture (AP6) Department

G.O. (Ms). No.18.

Dated:23.01.2015.

Read:

- 1) G.O (Ms) No.256, Agriculture (AP6) Department, dated 30.12.2013.
- 2) The Director of Agriculture Letter No.G1/25920/2014, dated 30.09.2014.
- 3) Government of India, Ministry of Agriculture, Department of Agriculture and Co-operation, New Delhi, Letter No.13017/06/ 2013,credit-II, dated 19.09.2014.
- 4) G.O (4D) No.22, Agriculture (AP6) Department, dated 19.09.2014.
- 5) The Minutes of the Special State Level Co-ordination Committee on Crop Insurance Meeting held on 20.09.2014.
- 6) The Director of Agriculture Letter No.G1/25920/2014, dated

ORDER:

The National Agricultural Insurance Scheme (NAIS) was introduced from Kharif 2000 in all the districts of Tamil Nadu. The unit of Insurance under scheme is block/ Firka depending on the area under the crop notified. In Tamil Nadu Modified National Agricultural Insurance Scheme was introduced as a pilot from Rabi 2010 season in three districts namely, Cuddalore, Sivagangai and Namakkal District. In this scheme the unit of the insurance is village.

2) In the G.O. first read above, orders were issued for implementation of National Crop Insurance Programme with components of Modified National Agriculture Insurance Scheme (MNAIS) and Coconut

Palm Insurance Scheme (CPIS) in all districts in Tamil Nadu from Rabi 2013-2014 season.

3) In the Budget Speech 2014-2015, the Hon'ble Finance Minister has announced that a sum of Rs.242.54 crores has been provided for Crop Insurance. Accordingly, in the letter second read above the Director of Agriculture has earlier sent a proposal to sanction a sum of Rs.202.506 Crores towards 50% of the premium subsidy covering 8.50 lakhs farmers for Agriculture Crops in connection with the implementation of Modified National Agriculture Insurance Scheme under National Crop Insurance Programme during 2014-15.

4) When the above proposal of the Director of Agriculture was under consideration of the Government, the Government of India, in their letter third read above, have permitted to re-implement NAIS and also given the option to the State Government to implement National Crop Insurance Programme with Modified National Agriculture Insurance Scheme or National Agriculture Insurance Scheme from Paddy-II (Samba/Thaladi/ Pishanam) and Rabi 2014-15 season crops both under Agriculture and Horticulture crops.

5) In the GO fourth read above, based on the option given by the Government of India, the Government of Tamil Nadu have issued orders for reimplementation for Paddy II (Samba/ Thaladi/ Pishanam) Season and for all crops in Rabi 2014-15 season in all the districts of Tamil Nadu and withdrawn the Modified National Agriculture Insurance Scheme under National Crop Insurance Programme from Paddy II (Samba/ Thaladi/ Pishanam) Season and for all crops in Rabi 2014-15 season and in view of the revised orders, further action on the proposal of the Director of Agriculture referred to at para 3 above was dropped.

6) Subsequently, in the Special State Level Co-ordination Committee on Crop Insurance Meeting convened on 20.09.2014 it was inter alia approved to revise the proposal for sanction of funds for payment of premium subsidy for reintroduced National Agriculture Insurance Scheme, for Paddy II (Samba/ Thaladi/ Pishanam) and Rabi 2014-15 season crops also under Crop Insurance Scheme for 2014-15.

7) Based on the terms and condition of Government of India and approval accorded by Special State Level Co-ordination Committee on Crop Insurance, the Director of Agriculture has requested the Government to issue the orders for effective re-implementation of Modified National Agriculture Insurance Scheme under National Crop Insurance Programme during Kharif 2014-2015 and National Agricultural Insurance Scheme during Rabi 2014-2015 season.

8) The Government after careful examination accept the proposal of the Director of Agriculture as requested by him in his letter dated and accordingly direct that:-

- (i) To sanction a sum of Rs. 64.50 crores (Rupees sixty four crores and fifty lakhs only) for the year 2014-15 to the Director of Agriculture, towards payment for 50% premium subsidy for Loanee and Non-Loanee farmers including tenant farmers for Agriculture Crops, to the Agricultural Insurance Company of India Ltd., Chennai under National Agricultural Insurance scheme.
- (ii) To sanction the subsidy pattern as indicated below for settlement of premium subsidy to Agricultural Insurance Company of India Ltd., Chennai.

Category of farmer	Classification of farmer	Farmer's share of premium (%)	Government of India's share of subsidy (%)	Government of Tamil Nadu's subsidy (%)	Total (%)
Loanee Farmers	Small & Marginal Farmers	50	5	45	100
	Other Farmers	50		50	100
Non-Loanee Farmers	Small & Marginal Farmers	45	5	50	100
	Other Farmers	50		50	100

- (iii) To sanction an amount of Rs.0.065 crores (Rupees six lakh fifty thousand only) towards publicity, tender publication and organizing campaigns for 2014-15 to Director of Agriculture.
- (iv) To authorize the Director of Agriculture for payment of eligible premium subsidy payable by State Government as its share to AICIL and private insurance companies who were allotted districts to operate MNAIS for Kharif crops other than Paddy II (Samba/ Thaladi/ Pishanam) 2014 season.

- (v) To authorize the Director of Agriculture to settle the 50% premium subsidy for Agricultural Crops, along with Bank charges (@ 2.5% on 50:50 basis between State and Central Government as per Government of India Guidelines) to Agricultural Insurance Company of India Ltd., Chennai.
- (vi) To authorize the Director of Agriculture to settle the balance pending premium subsidy amount, if any, of the previous year's claimed by Agricultural Insurance Company of India Ltd., Chennai, in the current financial year based on the provisions given in B.E of the year 2014-15.

9) The expenditure sanctioned in para 8 above shall be debited to the following head of account:-

"2401-00-Crop Husbandry-110 Crop Insurance Schemes in the Twelfth Five Year Plan – II State Plan – JE State Subsidy to Agricultural Insurance Scheme for Non-Loanee/Tenant Farmers and Loanee Farmers-09-Grants-in-Aid03-Grants for specific schemes (DPC -2401-00-110-JE-0930	Rs.48.500 Cr
08-Advertisement and Publicity-01 Advertisement Charges (DPC -2401-00-110-JE-0814)	Rs.00.060 Cr
05 -Office Expenditure 02 - Other Contingencies (DPC -2401-00-110-JE-0529)	Rs.00.005 Cr
Total	Rs.48.565 Cr
"2401-00-CropHusbandry-789-Special Component plan for Scheduled Castes-Schemes in the Twelfth Five Year Plan-II State Plan-JJ-State Subsidy to Agricultural Insurance Scheme for Non-Loanee/Tenant Farmers and Loanee Farmers under Special Component Plan-09-Grants-in-Aid 03-Grants for specific schemes" (DPC-2401-00-789-JJ-0933)	Rs. 16.000 Cr
Total	Rs.64.565 cr

10) Necessary additional funds of Rs.34,56,50,000 will be provided in Final Modified Appropriation 2014-15. However, this expenditure shall be brought to the notice of legislature by way of specific inclusion in Supplementary Estimates 2014-15. Pending provision of such funds, the

Director of Agriculture is authorized to draw and disburse the expenditure sanctioned in para 8 above to the concerned. He is also requested to include this item of expenditure while sending the proposal for Final Modified Appropriation 2014-15 proposal and necessary draft explanatory notes for inclusion in Final Supplementary Estimates 2014-15 to Government in Finance (BGI/Agri.) Department without fail.

11) This order issues with the concurrence of Finance (Agri) Department vide its U.O.No.4165/Agri./2015 and Additional Sanction Ledger No.2277 (Two thousand two hundred and seventy seven)

// BY ORDER OF THE GOVERNOR//

RAJESH LAKHONI
Agricultural Production Commissioner
and Secretary to Government

To

The Director of Agriculture, Chennai - 5.

The Director of Horticulture and Plantation Crops, Chennai-5.

The Agriculture Insurance Company of India Limited,
1st Floor, Andhra Insurance Building, Old No.156 (New No.323),
Thambu Chetty Street, Parrys Corner, Chennai - 1.

The Pay and Accounts Officer(East), Chennai - 5.

The Accountant General (Audit), Chennai - 18.

The Accountant General (Audit), Chennai - 18 (By Name)

The Accountant General (A&E), Chennai - 18.

The Accountant General (A&E), Chennai - 18 (By Name)

The Principal Accountant General (G&SSA), Chennai-18.

The Principal Accountant General (E&RSA), Chennai-18.

The Accountant General(CAB), Chennai-9.

The Director of Economics and Statistics, Chennai - 6.

Copy to:

The Cooperation, Food and Consumer Protection Department, Chennai - 9.

The Finance (Agri/BG.I/BG.II) Department, Chennai - 9.

The Planning Development and Special Initiatives Department, Chennai-9.

The Connected File (C.No.25913/AP6/2014).

Spare Copies / Stock Files.

//Forwarded by Order//

R. S. Sub
23/1/15
Under Secretary to Government
Agriculture Department
Secretariat, Chennai-600 009

23/1/15

