



Seminar on **Agriculture Insurance in India**



Mr. Saurabh Sanyal, Secretary General and Mr. Yogesh Lohiya, Chairman Insurance Committee, PHD Chamber and CEO & MD IFFCO TOKIO General Insurance; Mr. Joseph Plappallil J., Chairman-cum-Managing Director, AIC of India Limited; Mr. Alok B. Shriram, President, PHD Chamber and Deputy Managing Director, DCM Shriram Industries Limited; Dr. Ashish Kumar Bhutani, Joint Secretary, Ministry of Agriculture; Mr. Mohanbhai Kundariya, Hon'ble Minister of State for Agriculture; Mr. R. P. Singh, Director, IFFCO; Mr. S.K. Sethi, Co-Chairman, Insurance Committee, PHD Chamber and Vice President, Insurance Foundation of India and Mr. N M Kejriwal, Chairman, Agribusiness Committee, PHD Chamber and Chairman, Kejriwal Enterprises

PHD Chamber of Commerce and Industry organized a seminar on 'Agriculture Insurance in India: Challenges and the Way Forward' on July 14, 2015, PHD House, New Delhi. The main objective of the seminar was to bring all the stakeholders related to agriculture insurance on a common platform to deliberate upon the various challenges faced by the sector and develop strategies for the rapid growth of the sector.

Mr. Alok B. Shriram, President, PHD Chamber in his welcome address emphasized on Crop insurance and said it not only provides financial security to the farmers but it also gives income protection to the farmers by insuring production and market risks. The insured farmers are assured a minimum guaranteed income. It is necessary to protect the farmers from natural calamities, pests & diseases and ensure their credit eligibility for the next season. The farmers need an insurance policy that could cover all expenses incurred on losses and this scheme should be long-term and completely transparent.

Chief Guest, Mr. Mohanbhai Kundariya, Hon'ble Minister of State for Agriculture, Government of

India in his special address focused on the need to explore possibilities of exchange of ideas between the government and private insurance players to develop an effective, integrated and affordable insurance package for farmers. He said, "The need of the hour is to make agriculture a risk-free activity by protecting farmers from financial and crop yield risks."

Hon'ble Minister said that the government has been implementing three major insurance schemes such as National Agriculture Insurance Scheme, Modified National Agricultural Insurance Scheme and Weather Based Crop Insurance Scheme. "However, due to lack of awareness among the farmers on risk mitigation effects of insurance and inadequate enthusiasm of bankers and other financial intermediaries, these schemes have not made large impact even though these insurance products have tremendous risk mitigating capabilities," he added.

Dr. Ashish Kumar Bhutani, Joint Secretary, Ministry of Agriculture, Government of India in his address said that the proposed scheme of agriculture insurance was aimed at enhancing the insurance coverage in the agriculture sector and helping

farmers in mitigating the loss to their crops from different reasons. He said that we are working on restructuring of present crop insurance schemes and likely to come up with a restructured crop insurance scheme in the next two months and it would be farmers' friendly.

Mr. Joseph Plappallil J., Chairman-cum-Managing Director, AIC of India Ltd. highlighted the lack of awareness about the crop insurance schemes. He said that we have to move from area based approach to farm based approach which would help in analysing the amount of losses suffered by the farmers for the betterment of farmers. He added that there were a lot of technological improvements happening in the sector which would surely help farmers in making better profit margin out of the given scenario.

Mr. N M Kejriwal, Chairman, Agribusiness Committee, PHD Chamber said that Agriculture Insurance is a risk management tool and as a risk transfer device, farmers can depend on it as an instrument of indemnity in the event of crop failure. Risks like the price for the agriculture produce and monsoon are two major factors on which the agriculturalists have absolutely no

