



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



Mr. Alok Shukla, National Manager – Rural & Health, Tata AIG General Insurance Company Limited; Dr. Ajay Verma, Head - Rural, Weather and Micro insurance Business, Future Generali India Insurance Co. Limited; Mr. Jatin Singh, Chief Executive Officer, Skymet Weather Services Pvt. Limited; Mr. S.K. Sethi, Co-Chairman, Insurance Committee, PHD Chamber and Vice President, Insurance Foundation of India; Mr. Rajeev Chaudhary, Chief Risk Officer, Agriculture Insurance Company of India; Prof. P. S. Nagpal, Course Coordinator - Center for Insurance & Risk Management, Birla Institute of Management Technology (BIMTECH); Mr. Anuj Kumbhat, Whole Time Director, Weather Risk Management Services Limited and Mr. Brijraj Singh, Chief Executive Officer, Origo Commodities India Pvt. Limited

control. In a country like India, where crop production has been subjected to vagaries of weather and large scale damage due to attack of pests and diseases, agriculture insurance assumes a vital role in the stable growth of the agriculture sector. The present agriculture insurance policies are weak on various fronts and thus better policies need to be announced to suit the needs of the farmers.

Mr. Yogesh Lohiya Chairman, Insurance Committee, PHD Chamber said that crop insurance was one alternative to manage risk in yield loss by the farmers. It is a mechanism to reduce the impact of income loss on the farmer. Crop insurance is a means of protecting farmers against the variations in yield resulting from uncertainty of practically all natural factors beyond their control.

Other prominent speakers were Mr. S.K. Sethi, Co-Chairman, Insurance Committee, PHD Chamber and Vice President, Insurance Foundation of India; Mr. Ajay Vir Jakhar, Chairman, Bharat Krishak Samaj; Mr. Anuj Tyagi, Member of Executive Management, Head – Corporate, Rural & Agri Business, HDFC ERGO General Insurance Company; Mr. Anuraag Kaul, Wholetime Director & Principal Officer, J K Risk Managers & Insurance Brokers Limited; Mr. Sonu Agrawal, Managing Director, Weather Risk Management Services Ltd.; Dr. Uttam

Kumar Singh, Technical Manager, RMSI Pvt. Ltd; Mr. Rajeev Chaudhary, Chief Risk Officer, Agriculture Insurance Company of India; Mr. Alok Shukla, National Manager – Rural & Health, Tata AIG General Insurance Company Ltd; Prof. P. S. Nagpal, Course Coordinator - Center for Insurance & Risk Management, Birla Institute of Management Technology (BIMTECH); Mr. Jatin Singh, Chief Executive Officer, Skymet Weather Services Pvt. Ltd.; Mr. Anuj Kumbhat, Whole Time Director, Weather Risk Management Services Ltd.; Mr. Brijraj

Singh, Chief Executive Officer, Origo Commodities India Pvt. Ltd.; Dr. Ajay Verma, Head - Rural, Weather and Micro insurance Business, Future Generali India Insurance Co. Ltd.

With an aim to identify critical policy related issues of the agriculture insurance sector and to suggest recommendations for the growth of the sector in India, the seminar organized by PHD Chamber was very successful. The seminar was well attended by approximately 150 participants from across the country.



Mr. Anuj Tyagi, Member of Executive Management, Head - Corporate Rural & Agri Business, HDFC ERGO General Insurance Company; Mr. Sonu Agrawal, Managing Director, Weather Risk Management Services Limited; Mr. S.K. Sethi, Co-Chairman, Insurance Committee, PHD Chamber and Vice President, Insurance Foundation of India; Dr. Ashish Kumar Bhutani, Joint Secretary, Ministry of Agriculture, Mr. Ajay Vir Jakhar, Chairman, Bharat Krishak Samaj; Mr. Anuraag Kaul, Wholetime Director & Principal Officer, J K Risk Managers & Insurance Brokers Limited and Dr. Uttam Kumar Singh, Technical Manager, RMSI Private Limited



Participants at the seminar zxz