



Agriculture Insurance Company of India Limited

Head Office: Plate B & C, 5th Floor, Block 1, East Kidwai Nagar, New Delhi - 110023

PULPWOOD TREE INSURANCE

(UIN: IRDAN126RP0004V01200708)

BROCHURE

Applicability:

This insurance scheme is applicable to Pulpwood tree growers and producers, whose produce/yields are likely to be affected by the specified perils. The product shall be offered for Pulpwood trees in specific geographic locations with adequate infrastructure and facilities to grow the crop. The trees covered under the policy are:

1. *Eucalyptus*
2. *Poplar*
3. *Subabul*
4. *Casuarina*

Scope of Cover

The policy shall cover and indemnify the insured against pecuniary loss suffered by the insured in respect of cost of inputs (agreed value) on account of the total loss or damage to the trees occasioned by specified perils/risks like Fire, Flood, Cyclone, storm, Frost and Pest & diseases etc., either in isolation or concurrently. Total loss shall mean loss or damage to individual Pulpwood plant or entire plantation or part thereof leading to death of the plant or making the plant economically unproductive.

Sum Insured

1. Sum Insured is based on cost of inputs (agreed value) per unit area of insurance covered which will depend on nature of tree, age of tree. Sum Insured is broadly equivalent to input cost, and can extend up to 125% / 150% of the input cost at the discretion of the insurer. The insurable age and age-wise indicative 'input cost' is provided below:

Sl. No	Pulpwood Tree	Insurable life span	Input cost per Acre (Rs.)				5th year
			1st year	2nd year	3rd year	4th year	
1	<i>Eucalyptus</i>	1 - 5 years	33000	40000	48000	57000	68000
2	<i>Poplar</i>	1 - 5 years	50000	60000	72000	85000	100000
3	<i>Subabul</i>	1 - 5 years	25000	30000	36000	43000	51000
4	<i>Casuarina</i>	1 - 5 years	20000	24000	29000	35000	41000



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Premium

The premium rate has been arrived at on the basis of (a) risk profile of the tree / crop; (b) nature of risks covered; (c) geographical location; (d) rate charged by other insurers for similar risks; (e) deductibles, and (f) loading for various costs and expenses of the insurer. The rate charged may vary from 1.5% - 2.5% depending upon the age of the plant, geographical location of the plantation, & optional drought coverage, etc.

Period of insurance: The Policy period is annual, with a provision to go for policy of up to 5 years duration.

LOSS ASSESSMENT PROCEDURE

On occurrence of any insured perils leading to the total loss of damage to the plant /plants the insured has to submit the claim form to Agriculture Insurance Company of India Limited (AIC). AIC shall send a Loss Assessor/ Agriculture Expert to the field for assessing the loss to facilitate claim processing. For the purpose of claims, death / totally damaged plants making the plant economically unproductive shall be considered as loss under the policy. Decline and / or retardation of growth shall not be deemed as loss.

The amount of loss assessable under this policy shall be such sum as is arrived at after applying the percentage of death/ damaged plants in the insured area to the amount of sum insured, subject to the terms, conditions, salvage, excess and any other deductions specified in the policy.

Claim Settlement

At the time of settling claims the insured shall be required to furnish one or more of the following documents to AIC:

- i) Loss intimation / Copy of Claim Form
- ii) Copy of Cover Note / Policy
- iii) Proof of insurable interest: Land record proof/ proof of financing or lending Documents / proof of loss (operation of insured peril)

At all times during the period of insurance of this policy the insurance cover will be maintained to the full extent of the respective sum insured. However the sum insured shall stand reduced by the loss amount during the balance period of policy in case of payment of claim. In no case the liability (sum of all claims during the policy period) of the company will exceed the sum insured.

How to avail insurance

The insurance product is available through the existing network of AIC. Cultivators can obtain insurance information also from financing banks, participating agencies / organizations, input suppliers, farmers' associations, insurance brokers etc. Individual growers can directly purchase the policy from AIC or from authorized individual / corporate agents.



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COMPANY PROFILE

Agriculture Insurance Company of India Limited (AIC) was promoted by General Insurance Corporation of India (GIC) and National Bank for Agriculture and Rural Development (NABARD) and four Public Sector General Insurance Companies, and incorporated under Companies Act on 20th December 2002.

AIC has taken over the implementation of National Agricultural Insurance Scheme (NAIS), which until FY03 was implemented by General Insurance Corporation of India. In future, AIC would also be transacting other insurance businesses directly or indirectly concerning agriculture and its allied activities.

AIC's mission is to provide financial security to persons engaged in Agriculture and allied activities through Insurance Products and other Support Services.

Insurance is the subject matter of solicitation.