



Agriculture Insurance Company of India Limited

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

POTATO CROP INSURANCE

(UIN: IRDAN126RP0002V01200607)

BROCHURE

This insurance policy is applicable to Potato crop cultivated by the farmers in different Potato growing parts of the country.

Scope of Cover

This is an input cost cover starting from a week after planting till 7 days before harvesting. The insurance is by way of indemnity against pecuniary loss suffered by the insured in respect of the cost of inputs on account of the loss or damage (death/ total damage of the plants leading to reduction of the plant population below the threshold number) due to the happening of the insured perils. It shall not apply to the loss of yield/production of potato crop resulting from the insured perils.

The policy shall cover and indemnify the insured (in accordance with the claim assessment procedure) in the event of damage of potato crop leading to reduction of plant population below a threshold limit, occasioned by natural calamities like Flood, Cyclone, Storm, Frost and Pest & Diseases (except Late Blight) etc. either in isolation or concurrently during the period of insurance.

Sum Insured

Sum insured is based on input cost and shall be Rs. 25,000 per Acre.

Premium

The premium charged for 2006 is 4 % of sum insured. Applicable Service Tax will be extra.

Insurance Period

The period of insurance shall be a week after planting till 7 days before harvesting.

Insurance availing period

Insurance is sold only during planting and not later than seven days from planting.

How to avail insurance

The insurance product is available through the existing network of AIC. Cultivators can avail insurance cover 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. Since, the claims, if any, would be directly credited to the bank account of the insured, it is desirable that the grower should have an account with the nearest Bank Branch/ Rural Financial Institution.



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Claim Procedure

On happening of any loss or damage, the insured shall give notice to the company within 48 hours (directly or through the financing bank or through the participating organization) and subsequently shall submit a claim in writing within 15 days after loss or damage. The insured shall tender to AIC all reasonable information, assistance and proofs in connection with any such claim.

The total cost of inputs per unit area of insurance covered under this Policy shall be deemed to be the amount as specified in the policy, which shall be deemed to have been incurred at a percentage corresponding to the stage of cultivation. The amount of loss assessable under this policy shall be such sum as is arrived at after applying the percentage of death/damaged plants per acre to the amount of the cost of inputs per acre, at the stage at which the insured peril causing the loss operates, subject to the terms, conditions, salvage, excess and any other deductions.

The insured shall be required to furnish proof of insurance and any other document / proof specifically requested by AIC for the settlement of the claim.

Illustration:

For a sum insured of Rs. 25,000 (agreed input cost per acre) and a threshold plant population of 12,000 per acre, in the event of occurrence of one or more insured perils during the 2nd month of the insurance period, if the plant population is reduced to 10,000 (a loss of 2000 plants), the maximum compensation payable shall be calculated as follows:

Sum insured = Rs. 25, 000

Loss percentage= (2000/12000) % = 16.67%

Incurred input cost till 2nd month after planting = 70 %

Claim amount = Rs. 25,000 * (2000/12000) % * 70 % = Rs. 2916/-,

Excess=2916*10%=Rs. 291.60

Actual compensation = Rs. 2916- Rs. 291.6 = Rs. 2624.4

Policy related conditions

- i) Field selected for potato cultivation should be pest/ disease free i.e. proper crop rotation must have been followed over the years for healthy crop.
- ii) Certified and good quality tuber (planting material) must be used for planting purposes.
- iii) Proper seed treatment must be done before planting.
- iv) The initial plant population should be as per the recommended practices, and shall not be less than 25000 plants per Acre.
- v) The Potato fields must have adequate irrigation facility to meet the minimum water requirement of the plant.
- vi) Inter-cropping / Mixed cropping is not allowed.



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- vii) The Insured must take necessary precaution for plant protection and follow the recommended cultural or package of practices in the event of peril affecting the field.
- viii) All the acreage cultivated by the insured under potato in a particular location has to be insured in full.

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. AIC have already introduced covers like Farm Income Insurance Scheme (FIIS), Varsha Bima, Sookha Suraksha Kavach (SSK), Coffee Insurance, Poppy Insurance, Wheat Insurance (based on Temperature & Biomass), Mango Weather Insurance, Rainfall Insurance etc. 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.
