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Unified Insurance Package for Farmers

Farmer will be able to avail of minimum insurance cover for their crop, tractors, pump-sets, self and accidents under a package being readied along with the Pradhan Mantri Fasal Bima Yojana (Prime Minister's Crop Insurance Scheme) for a premium of Rs. 5145/year. This package of seven products will be first tried in 45 selected districts. Expansion will be decided after the response.

Under the united package, any farmer who wants to avail the huge subsidy given under the new crop insurance scheme has to compulsorily go for any three components out of a total package of seven products. This would guarantee his full financial security. The Centre and state government plan to subsidize up to 90 per cent of the total premium.

The seven insurance components apart from Fasal Bima Yojana in the united package are fire insurance; a personal accident coverage of Rs 2 lakh under the Pradhan Mantri Suraksha Bima Yojana; agriculture pump-set insurance; agriculture tractor insurance provided by a third party; life insurance through the Pradhan Mantri Jeevan Jyoti Bima Yojana, and student safety insurance.

The entire package will be offered by the State-run Agriculture Insurance Company or any other general insurance company. A minimum annual insurance premium of Rs 5145 has been calculated, presuming an average



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holding of 1.5 hectares and a tentative insurance cover of Rs 20000/ha. The accident coverage and the life coverage will be as provided by the already existing Pradhan Mantri Suraksha Bima Yojana and Jeevan Jyoti Bima Yojana. That apart, officials said the existing weather-based crop insurance scheme

(WBCIS) launched by the earlier government would also be in circulation and is not being withdrawn. The only difference is that the premium under WBCIS would have to be at par with the Fasal Bima Yojana, which is 1.5 per cent for all rabi crops and a flat 2.0 per cent for all kharif crops.

Uniform Price of Bt Cotton Seed across the Country

As there was no uniformity in pricing of Bt cotton seeds across the country, the central government has recently intervened and issued a Cotton Seed Price (Control) Order, 2015, to fix a uniform price of Bt cotton seed across the states in the country for the benefit of farmers. The Agriculture & Farmers Welfare Minister said that both the public and private sectors have a role in the

supply of quality seeds (including Bt cotton) to farmers and in order to safeguard the interest of the farming community, this department issued the Cotton Seed Price (Control) Order, 2015, under section 3 of the Essential Commodities Act, 1955, to regulate Bt cotton seed prices.



As per the order, a nine-member committee was set up to recommend the maximum sale price of Bt cotton seeds after taking into consideration the seed value, license fees including one-time and recurring royalty (trait value), trade margins and other taxes and government declared the maximum sale price of Bt cotton seed (cotton seed packets 450 grams of Bt Cotton plus 120 grams refuge) for the financial year 2016-17 for the whole of India as below:

Sl. No.	Components	BG-I version of Bt. Cotton hybrid	BG-II version of Bt. Cotton hybrid
1	Seed Value (in rupees)	635	751
2	Trait value including taxes (in rupees)	0	49
3	Maximum sale price (in rupees)	635	800

Cumin and Castor Price may Increase in next few Months



Junagadh Agriculture University (JAU) has advised farmers to hold the stocks of cumin and castor crops for the next few months to get better returns on their produce because both the crops have good prospects of exports during April and May which may increase the prices of cumin and castor in the coming days.

As per second advance estimates, castor production in the country is likely to be about 1.72 million tonnes for the year 2015-16. In current financial year, exports might be around 5 lakh tonnes. The domestic consumption and derivatives exports of castor oil is expected about 2 lakh tonnes. This requires crushing of about 1.66 million tonnes of castor seeds, which indicates that current year's production is almost at par with oil demand. However, the castor prices, which was ruling around Rs 740 per 20 kg in December 2015 in



various markets of Gujarat, has decreased to Rs 610 per 20 kg in February 2016 due to higher production estimates and weak global sentiments. Based on the econometric analysis, JAU study revealed that the prices of castor during the months of March to May 2016 may remain in the range of Rs. 640-720 per 20 kg. Similarly for cumin, JAU has guided farmers to sell it after April this year as higher export opportunities and domestic demand may increase the price of the commodity. Cumin price which was ruling around Rs. 2000 per 20 kg in May 2014 in Gujarat, increased to about Rs. 3100 May 2015 and remained stable around Rs. 2900 till December 2015 and current price it is around Rs 2,500 per 20 kg. The econometric analysis revealed that the prices of cumin during March to April may remain in the range of Rs. 2600 to 2850 per 20 kg.

FCI to start Procurement of Pulses from Farmers



In order to maintain sufficient stocks of lentils, state-run FCI would start the procurement operation in second week of March 2016 to buy a total of 50000

tonnes of pulses, including masoor and gram, at a budget of Rs 240 crore on total procurement operation of pulses which includes transportation and storage, excluding processing. Besides, to ensure adequate supply in the domestic market and keep a check on prices, the government is also importing pulses and creating the buffer stock.

Following the increase in pulses prices, the government had set a target to procure one lakh tonnes of rabi pulses, out of which 50,000 would be done by Food Corporation of India (FCI) and the remaining by NAFED and SFAC.

The government agencies have already procured 51000 tonnes of kharif pulses. Out of this, FCI has

procured 20000 tonnes of tur/arhar. The Corporation is expecting to procure chunk of the quantity from Madhya Pradesh, Chhattisgarh and Rajasthan among other states.

Pulses output in 2015-16 crop year (July-June) is expected to be 17.33 million tonnes as against the

demand of 22-23 million tonnes. The gap is being met through imports. About 1.23 lakh tonnes of pulses seized from hoarders have been disposed -off by the government in open market to boost supply and control rising prices.

Budget 2016-17 Highlights

- * Allocation for rural sector- Rs 87,765 crore.
- * Every block under drought and rural distress will be taken up as an intensive block under the Deen Dayal Antyodaya Mission.
- * Rs. 38,500 crore is allocated for MGNREGS.
- * New scheme Rashtriya Gram Swaraj Abhiyan is proposed with allocation of Rs 655 crore.
- * National Land Record Modernisation Programme has been revamped.
- * Allocation for Agriculture and Farmers Welfare – Rs. 35,984 crore.
- * 'Pradhan Mantri Krishi Sinchai Yojana' to be implemented in mission mode. About 28.5 lakh hectares will be brought under irrigation.
- * Implementation of 89 irrigation project under AIBP, which are languishing for a long time, will be completed under fast track.
- * A dedicated long term irrigation fund will be created in NABARD with an initial corpus of about Rs. 20000 crore.
- * Programme for sustainable management of ground water resources with an estimated cost of Rs.6000 crore will be implemented through 3 multilateral funding.
- * Under MGNREGA, 5 lakh farm ponds and dug wells in rain fed areas and 10 lakh compost pits for production of organic manure will be taken up.
- * Soil Health Card Scheme will cover all 14 crore farm holdings by March 2017.
- * Total 2000 model retail outlets of fertilizer companies will be provided with soil and seed testing facilities during the next three years.
- * Promotion of organic farming through 'Parmparagat Krishi Vikas Yojana' and 'Organic value chain Development in North East Region'.
- * Unified Agriculture Marketing ePlatform to provide a common e- market platform for wholesale markets
- * To reduce the burden of loan repayment on farmers, a provision of Rs. 15000 crore has been made in the BE 2016-17 towards interest subvention.
- * Allocation of Rs 5500 crore is made under Prime Minister Fasal Bima Yojana.
- * Allocation of Rs. 850 crore is made for four dairying projects – Pashudhan Sanjivani, Nakul Swasthya Patra, E-Pashudhan Haat and National Genomic Centre for indigenous breeds.

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