

Sookha Suraksha Kavach-(SSK)

Drought Risk Insurance

Agriculture Insurance Company of India Limited (AIC) was incorporated on 20th December 2002 as per the direction of the government for a focused development of agriculture insurance program in the country. The main objective of AIC is to protect and secure financial support in the event of damage to crops, agriculture and allied subjects and to develop insurance products in the best interest of farming community.

“Sookha Suraksha Kavach-SSK”: AIC knows that yields are variable. However, its now realized that the weather (rainfall) is also becoming increasingly unpredictable and uncertain. Annual rainfall in Rajasthan varies significantly across East and West Rajasthan. There is high spatial and temporal variation in rainfall across West Rajasthan. The average rainfall ranges from less than 10 cm in northwest part of Jaisalmer to 40 cm along the western fringes of the Aravalli range. Variation in rainfall is as high as 39% in these parts. “Sookha Suraksha Kavach-SSK”, therefore, is very timely and a unique insurance product designed exclusively for the requirements of drought stricken farmers of Rajasthan.

“Sookha Suraksha Kavach-SSK”, has been designed for popular and widely grown crops like **Guar, Bajra, Maize, Jowar, Soyabean and groundnut**, which are conducive for cultivation in the semi-arid climate of Rajasthan.

Salient features of the scheme

1. Scope of cover

The Policy compensates the insured against the likelihood of diminished agricultural output/yield resulting from shortfall in the actual normal rainfall index within a specific geographical location and specified time period subject to a maximum of the sum insured specified in the schedule to the Policy.

2. Sum Insured

Sum insured per hectare for different crops in different areas ranges between cost of cultivation and value of production, and is given in the Benefit Table. The Benefit Table is a chart showing benefits (claims) at different levels of deficiency in weighted Actual Rainfall Index.

3. Premium

Premium would depend on factors such as crop, location, variations in historical rainfall data, past yield data, sum insured and the acreage under cultivation. The rates ranges between 5 to 8% of sum insured.

4. Claims Assessment Procedure

- i) **Rainfall Index:** Rainfall indices have been calculated for the period of June to October using appropriate weights and caps. The weighted Actual Rainfall index is compared to the weighted Normal Rainfall index to compute the deficiency in rainfall index.
- ii) **Claim trigger:** A claim trigger is defined in the policy, which is basically a threshold deficiency percentage of the weighted Actual Rainfall Index as compared to the weighted Normal Rainfall Index. The deficiency greater than or equal to the claim trigger will result in claim as per the Benefit Table.
- iii) **Agencies for data:** Rainfall indices are prepared based on data of specified Rain Gauge stations of India Meteorological Department (IMD).

The Company shall not be liable to compensate the insured, or pay any amount, in the event that the actual total rainfall index is greater than the specified percentage of the Normal Rainfall Index during the policy period.

5. Claim documentation

Claims are automated; and are settled on the basis of Actual Rainfall index. Insured farmer is not required to lodge insurance claim or prove loss. The claims when become payable, are paid at a uniform rate to all the insured farmers in the specified area growing the insured crop.

Claims are directly credited to the Bank account of the insured grower, as specified in the proposal form.

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

6. How to avail insurance

The insurance product is available through the existing networks of AIC. The product may also be made available through Credit Agencies / Farmers' Association/ Input Suppliers/ Agents, etc. Since the claims, if any, are directly credited to the bank account of the insured, it is desired that the grower should have an account with a Bank Branch/ Rural Finance Institution/ Primary Agricultural Co-operative Society.

The premium under "Sookha Suraksha Kavach-SSK", is to paid by way of cheque /demand draft drawn in favour of "**Agriculture Insurance Company of India Limited**" payable at Jaipur.

7. Insurance availing period

The insurance is available up to 30th June.

8. Notices

Any notice, direction or instruction given under this Policy shall be in writing and delivered by hand, post, or facsimile to:

Agriculture Insurance Company of India Limited

HEAD OFFICE: 13 th Floor, Ambadeep Building, Kasturba Gandhi Marg, Connaught Place New Delhi-110001 Ph.: 011-51081991-1994. Fax: 011-5108-1995-1996 E-mail: aicho@aicofindia.org Website: www.aicofindia.org	REGIONAL OFFICE: Upasana Towers, 4 th Floor Subhash Marg, C- Scheme Jaipur – 302001 Rajasthan Ph: 0141- 2375387
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Notice and instructions will be deemed served 7 days after posting or immediately upon receipt in the case of hand delivery, facsimile or e-mail.

Insurance is the subject matter of solicitation