

**NATIONAL LAW UNIVERSITY, JODHPUR**

(School of Insurance Studies)

End Term Examination: Jan-May 2023

Semester: MBA (Insurance) IV

Sub: Agriculture &amp; Crop Insurance

Duration: 3 Hrs.

Marks: 100

**Instructions:**

1. Attempt any 5(five) questions
  2. All questions carry equal marks.
  3. Simple Calculator may be allowed.
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**Question # 01**

- a. Since independence agriculture sector of India has witnessed various revolutions. Describe the important revolutions with the name of the person behind it.
- b. Describe the salient features of Experimental Crop Insurance Scheme introduced in early 1970's also the reasons for its discontinuance.

**Question # 02**

- a. A revenue based Crop Insurance Scheme was introduced on a pilot basis during Rabi 2003-04 season. Elaborate the salient features of the said scheme.
- b. Agriculture Insurance and Agriculture relief are termed as synonyms, which is not correct, elaborate the basic differences.

**Question # 03**

- a. Elaborate the role of yield data in National Agriculture Insurance Scheme.
- b. Define the feature of Plantation (inputs) Insurance Scheme.

**Question # 04**

- a. NDDDB played a key role in transformation of livestock in India, explain the functions of NDDDB.
- b. To restrict adverse selection and curtail the moral hazard, Insurance Companies insists on identification mark on such animals. Describe the different methods of identification in case of cattle.

**Question # 05**

- a. Enumerate the underwriting considerations for Aquaculture Insurance.
- b. Explain the features of Sericulture Insurance.

**Question # 06**

- a. For a direct non-life Insurance Company to arrange Reinsurance is based on certain factors, explain.

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b. Solve:

Season: Kharif 2022	Farmer: Manmohan	
	Rice	Millet
Parameters		
Area declared for availing loan (hectares)	6	4
Loan availed	7,00,000	15,00,000
Average Yield (based on preceding 3 or 5 years) Kgs/ha	3500	8000
Subsidised Premium Rates	2.00%	3.50%
Minimum Support Price (MSP) / Quintal	2300	3000
Sum insured opted	7,50,000	14,00,000
Actuarial Premium Rate	6.50%	8.00%
Indemnity Limit	80%	90%

Calculate:

- (1) Threshold Limit, (2) Threshold Yield Value, (3) Premium on Subsidised & Commercial Rates. What will be claim amount Mr. Manmohan will get, if the actual yield for Rice is 25 quintal/Ha & for Millet it is 68 quintals/Ha.
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Duration: 90 Minutes

Marks: 50

All questions carry equal marks. Simple calculator may be allowed.

**Question # 1:**

- On the basis of characteristics & origin the soil is divided into various types, elaborate.
- The revenue administration of the State Government maintains, in each village or group of villages, certain forms and registers for recording, inter alia, details of ownership and tenancy rights, in respect of agricultural lands. In the light of above describe the objectives of maintaining land records.

**Question # 2:**

- Compare Comprehensive Crop Insurance scheme with Farmers' Income Insurance Scheme.
- "Individual approach" would reflect crop losses on realistic basis and hence, most desirable, but, in Indian conditions, implementing a crop insurance scheme at "individual farm unit level" is beset with problems. Enumerate the problems associated in this approach.

**Question # 3:**

- Explain the role of yield data in National Agriculture Insurance Scheme?
- Draw a comparison of Area yield based crop Insurance with Weather based Crop Insurance.

**Question # 4:**

On the basis of review of existing NAIS, the Government of India introduced a modified insurance scheme from Rabi 2010-11 season. Explain the improvements & the features of this scheme.

**Question # 5:**

From the details provided below calculate Premium payable & claims receivable by the farmer under NAI Scheme. Where the actual yield of Wheat is 3200 kg/ha & Gram 1800 kg/ha.

Season: Rabi 2020 Parameters	Farmer: Sh. Shyam	
	Wheat	Gram
Area declared for availing loan (hectares)	8	5
Loan availed	12,00,000	4,00,000
Average Yield (based on preceding 3 or 5 years) Kg/ha	3800	2200
Subsidised Premium Rates	2.50%	3.50%
Minimum Support Price (MSP) / Quintal	2800	3600
Sum insured opted	13,00,000	5,00,000
Actuarial Premium Rate	6.00%	8.50%
Indemnity Limit	90%	80%