

Original Research Article

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Performance of Animal Insurance Scheme in Amravati Division

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ABSTRACT

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Livestock,
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India has the second-largest livestock herd in the world. Roughly 500 million heads of large livestock plus 750 million heads of poultry generate 3.9 per cent of the country's GDP. The bulk is kept by smallholders with 70 million households owning livestock. As most epidemic diseases are still common and endemic in India, farmer's biggest risks are losses due to diseases, whether in terms of lower productivity or even death of animals. If there is only one animal on a farm, as is often the case in India, the loss is devastating. And yet, just 6 per cent of animals excluding poultry were insured in 2011, representing about 8 per cent of total livestock value. The present study aimed to know the Economic evaluation of livestock insurance i.e. Performance of livestock, Coverage of livestock and Premium Paid and Indemnity Given to livestock owners in the Amravati district. For Study purposes, data related to three periods of time i.e. 2006-07, 2011-12, and 2016-17 were collected from major insurance companies of livestock insurance. Amravati division of Maharashtra state has been considered for the study of economic evaluations of the livestock insurance scheme. all five districts were selected for the study i.e. Amravati, Akola, Yavatmal, Buldhana and Washim.

Introduction

A majority of the poorest of the Indian population depends on livestock as an important secondary source of livelihood. It is estimated that approximately 100 million people derive their livelihood from livestock as a primary or secondary source of income. Livestock-related activities help to maintain a daily inflow of income for these households. Additionally, land smallholders obtain nearly half of their income from livestock. The

livestock sector penetrates more equitably than agriculture into the Indian economy. Livestock rearing is central to the livelihoods and survival of millions of small and marginal farmers, and landless agricultural labourers across the country, particularly in the dry land.

The livestock sector is an important sector to agriculture, especially in strengthening the rural economy. The supplemental income derived from the rearing of livestock is a great source of support to the farmer facing

uncertainties of crop production, apart from providing sustenance to poor and landless farmers. Due to the steady increase in population and inefficient distribution of resources, a majority of poor households have very little or no agricultural land to engage in cropping activities. In the Vidarbha region, farmer suicide is a serious and current issue. For minimizing and avoiding the death of farmers they must have kept livestock with them, as their subsidiary income will rise and also must have insurance for their livestock, it will be beneficial for them in critical condition. Therefore, the present study was undertaken with the following specific objective:

To study the performance of livestock insurance schemes.

Materials and Methods

For the present study, Amravati division of Maharashtra state has been considered for the study of economic evaluations of the livestock insurance scheme. Five districts were selected for the study i.e. Amravati, Akola, Yavatmal, Buldhana and Washim. Secondary data were collected for the three points of time as per the latest three animal census i.e. 2006-07, 2011-12 and 2016-17. Name & address of respondents was collected from insurance companies like New India Insurance, and United India Insurance companies, Government District Animal Husbandry offices, Z.P offices and Maharashtra Livestock Development Board (MLDB) concerning livestock insurance. Using Simple tabular analysis was used to accomplish the objective of the study.

Results and Discussion

Performance of livestock insurance scheme of New India Insurance Company in Amravati Division was presented in table 1 and Fig. 1.

It was revealed from table 1 that, the number of animals insured during the study period over the division varies from 774 to 6500 however the strength insured is very meager and less than 1 percent. The premium collected during the study period over the division varies from 4.53 lac to 78.37 lac. Sum insured amount ranges for the study period over the division varies from 44.17 lac in 2006-07 to 1534.95 lac in 2016-17. The animal claim settled in the Amravati division range of 10 in 2006-07 to 761 animals during 2016-17.

Amravati district shows the highest no. animal insured over a base year i.e. 2006-07 followed by Buldhana, Washim, Akola and last was Yavatmal. The maximum sum insured was observed in Buldhana district and the lowest was observed in Yavatmal district. Regarding the settlement of claims, higher claims settled was observed in Amravati district and it was lower in Washim district. From the table, it was concluded that the performance of livestock insurance of New India insurance company was good in Amravati district and poor in Yavatmal district.

Performance of livestock insurance scheme of United India Insurance Company in Amravati division present below on going through the table 2 and Fig. 2.

It was revealed from table 1 that, the number of animals insured during the study period over the division varies from 66 in 2011-12 in Washim to 4395 in Amravati in 2016-17. However, the strength insured was very meager and less than 1 per cent.

The premium collected during the study period over the Amravati division varies from 0.89 in Washim in 2016-17 lack to 108.72 lack in Amravati in 2016-17. Sum insured amount ranges for the study period over the districts varies from 44.17 lac in 2006-07 to 1534.95 lac in 2016-17.

Table.1 Performance of livestock insurance scheme of New India Insurance Company in Amravati Division

Districts	Year	Livestock Populations of Amravati Division (in Lakh)	No. of Livestock Insured (Number)	Premium Collected (Rs.in Lakh)	Sum Insured (Rs.in lakh)	No. of Claims Settled (Number)
Amravati	2006-07	9.88	2801	23.17	323.60	11
	2011-12	1.02	4520	54.58	1063.37	731
	2016-17	6.59	6500	75.52	1420.86	761
Akola	2006-07	5.27	950	7.99	44.17	15
	2011-12	4.59	1852	16.83	193.37	292
	2016-17	3.36	2235	20.56	392.00	338
Yavatmal	2006-07	13.27	774	4.53	58.44	10
	2011-12	11.40	1322	21.81	256.35	209
	2016-17	7.49	1950	37.54	341.46	315
Buldhana	2006-07	11.60	2104	28.30	62.88	38
	2011-12	9.69	3000	45.21	256.35	360
	2016-17	10.52	5810	78.37	1534.95	33
Washim	2006-07	5.57	2511	13.04	100.23	10
	2011-12	4.49	3103	22.50	199.60	121
	2016-17	2.40	5508	48.38	415.26	78
Amravati Division		208.11	44890	498.33	6662.89	3322

(Figures in parenthesis indicate the percent increase in no. of livestock insured over 2006-07)

Fig.1 Performance of livestock insurance scheme of United India Insurance Company in Amravati Division

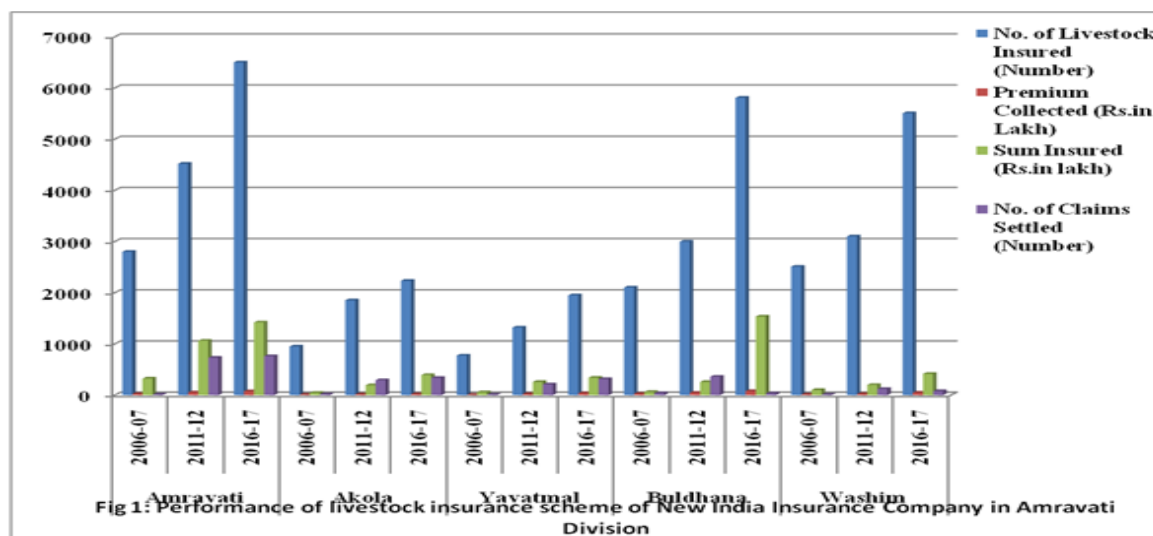
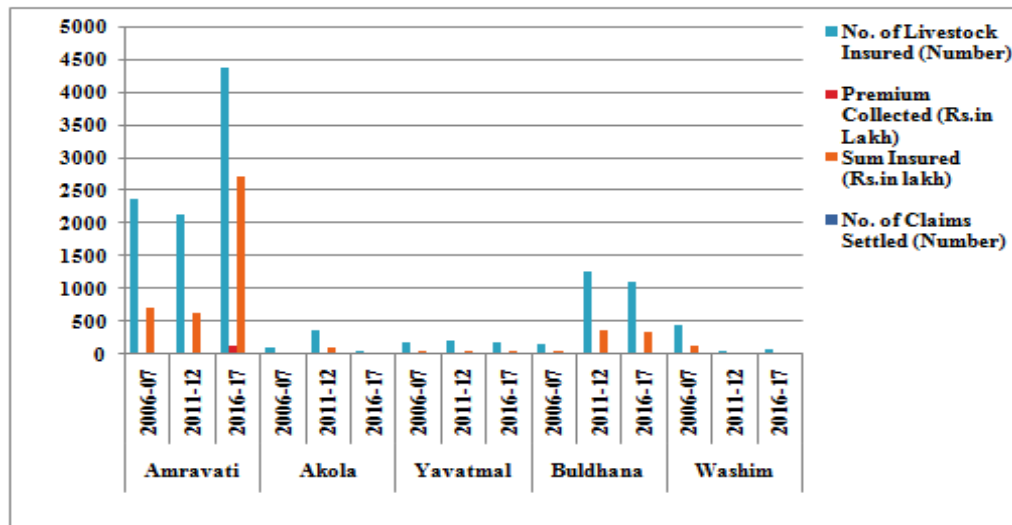


Table.2 Performance of livestock insurance scheme of United India Insurance Company in Amravati District

Districts	Year	Animal Populations of Amravati Division (in Lakh)	No. of Livestock Insured (Number)	Premium collected (Rs.in Lakh)	Sum Insured (Rs.in lakh)	No. of Claims Settled (Number)
Amravati	2006-07	9.88	2377	28.52	713.11	2
	2011-12	1.02	2134	27.74	640.13	5
	2016-17	6.59	4395	108.72	2718.85	2
Akola	2006-07	5.27	97	1.16	29.04	3
	2011-12	4.49	383	4.60	114.88	2
	2016-17	3.36	66	0.96	26.71	5
Yavatmal	2006-07	13.27	175	2.10	52.54	1
	2011-12	11.40	210	2.52	63.05	4
	2016-17	7.49	196	2.35	58.76	2
Buldhana	2006-07	112.60	154	1.77	46.10	1
	2011-12	9.69	1265	15.18	379.47	1
	2016-17	10.52	1105	13.26	331.50	2
Washim	2006-07	5.67	450	5.40	127.15	1
	2011-12	4.49	66	0.89	19.82	3
	2016-17	2.40	90	1.17	26.89	1
Amravati Division		208.11	13163	216.34	5348.00	35

(Figures in parenthesis percentages indicate the percent increase in no of livestock insured over 2006-07)

Fig.2 Performance of livestock insurance scheme of United India Insurance Company in Amravati District



The animal claim settled in the Amravati division range of 1to 5 animals during 2016-

17. Amravati district shows the highest no. animal insured over a base year i.e. 2006-07

followed by Buldhana, Washim, Akola and last was Yavatmal. The maximum sum insured was observed in Amravati district and the lowest was observed in Washim district. Regarding the settlement of claims, higher claims settled was observed in Amravati district and it was lower in Buldhana district. From the above table, it was concluded that the performance of livestock insurance of United India Insurance Company was good in Amravati district and poor in Washim district. The no. of animals insured was substantially lower in the United India Insurance Company than the New India Insurance Company also the premium collected, the sum insured and claims settled.

The Major findings of the study have been summed up as follows

The number of animals covered and sum insured increased over the study period in all the districts of the Amravati division for the companies. However, the new India insurance company covered major business during the study period. Insurance companies' dept of veterinary sciences; the ministry of the agricultural government of Maharashtra should make joint efforts to the benefit of farmers to insure every animal. Concluding that, the attention of insurance companies, policymakers and farmers is required towards animal insurance.

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