



National Insurance Company Limited

Regd. Office 3, Middleton Street, Post Box 9229, Kolkata 700 071

CIN - U10200WB1906GOI001713

IRDAI Regn. No. - 58

Issuing Office

Restructured Weather Based Crop Insurance Scheme

1 Recital Clause

Whereas the insured designated in the schedule hereto has by a proposal, dated as stated in the schedule, which shall be the basis of this contract and is deemed to be incorporated herein, has applied to National Insurance Company Ltd. (hereinafter called the Company), for the insurance hereinafter set forth based on the Scheme, in respect of farmer(s) named in the schedule hereto (hereinafter called the insured persons) and has paid the premium as consideration for such insurance.

2 Operative Clause

The Company undertakes, subject to the terms, definitions, exclusions and conditions herein contained, or otherwise expressed herein, that if during the policy period or during the continuance of the Policy by renewal, the insured shall suffer any financial loss on account of anticipated crop loss resulting from adverse weather conditions hereinafter defined, the Company shall compensate for deemed crop losses as herein after mentioned subject to the sum insured applicable to each crop.

3 Covered Weather Perils

Following major weather perils, which are deemed to cause "Adverse Weather Incidence", leading to crop loss, shall be covered under the scheme:

- Rainfall – Deficit Rainfall, Excess rainfall, Unseasonal Rainfall, Rainy days, Dry-spell, Dry days
- Temperature– High temperature (heat), Low temperature
- Relative Humidity
- Wind Speed
- A combination of the above
- Hailstorm, cloud-burst, as Add-on/Index-Plus products for those farmers who have already taken normal coverage under RWBCIS.

Note: The perils listed above are only indicative and not exhaustive and any addition / deletion may be considered by State Govt. in consultation with the Company based on availability of relevant data

4 Definitions

4.1 Automatic Weather Stations (AWS) means a device installed in the insurance unit [declared by concerned State Government] to measure and record the weather parameters like rainfall, temperature, humidity, wind speed, solar radiation etc. This device mainly have sensors and data logger to automatically record the weather parameters and transmit the data electronically in the data providers server.

4.2 Authorized Data Provider means an agency which has installed the reference or backup weather station and has been authorized to provide data for the same for the purpose of calculation and settlement of the claim.

4.3 Automatic Rain Gauge (ARG) means a device installed in the insurance unit to measure the rainfall in the given time frame.

4.4 Backup weather station means the secondary weather station as defined in the schedule, the weather data of which will act as a substitute for the missing data, if any, of the reference weather station

4.5 Bank means an entity licensed as a Bank under Banking Regulation Act, 1949 and permitted by the Reserve Bank of India to carry on banking business in India.

4.6 Beneficiary means any farmer(s) whose crop/property is (are) insured under the Scheme.

4.7 Crop includes the following notified crops.

- Food crops (Cereals, Millets and Pulses),
- Oilseeds
- Commercial / Horticultural crops

4.8 Crop Cutting Experiments (CCE) means Crop experiments which consist of identification and marking of experimental plots of a specified size and shape in a selected field on the principle of random sampling, threshing the produce and recording of the harvested produce for determining the percentage recovery of dry grains or the marketable form of the produce.

4.9 Cropping Plan means a detailed statement forming part of this policy showing the insurance cover selected by the Insured, the field number or name, the Crop and variety planted, the respective area planted, the sowing date, the emergence date, the average yield per hectare, the value per ton of harvested Crop and the Sum Insured of this crop.

- 4.10 Cut-Off Date** means the dates for completion of various activities related to the implementation of the Scheme, on Crop Calendar of major crops published from time to time by the Directorate of Economics and Statistics, Department of Agriculture, Cooperation and Farmers' Welfare, Ministry of Agriculture and Farmers' Welfare, Government of India.. The cut off date is uniform for both loanee and non loanee cultivators.
- 4.11 Defined Area or Insurance Unit (IU)** means specified area for the Notified Crop under the policy. State Government /UT will notify Crops and Defined Areas covered during the season in accordance with decision taken in the meeting of SLCCCI. State/UT Government should notify as an insurance unit, Village/Village Panchayat or any other equivalent unit for major crops. For other crops it may be a unit of size above the level of Village / village Panchayat
- 4.12 Endorsement** means any alteration made to the policy which has been agreed to by the company in writing.
- 4.13 Exit Index** shall mean the Observed Weather Index level at which the Insured becomes eligible for full Sum Insured under the Policy.
- 4.14 Financial Institution** shall have the same meaning assigned to the term under section 45 I of the Reserve Bank of India Act, 1934 and shall include a Non-Banking Financial Company as defined under section 45 I of the Reserve Bank of India Act, 1934.
- 4.15 Harvesting** means the process of cutting the insured Crops or part thereof from an insured Field for sale or use on the insured farm.
- 4.16 Humidity** shall mean Relative Humidity
- 4.17 Insured** means person(s)/ entity (ies) whose name specifically appears as such in Policy Schedule.
- 4.18 Insured Area** means the area under cultivation which is covered under the Policy and is part of Insurance Unit.
- 4.19 Loanee Farmers** are those Farmers availing Seasonal Agricultural Operations (SAO) loans from Financial Institutions for the notified crop(s).
- 4.20 Non Loanee Farmers** are all farmers other than Loanee Farmers growing notified crop(s) and opting for the Policy.
- 4.21 Notified Crop** is the Crop which is selected for the insured season in the defined area by the insured with the consent of the insurer and which is specifically mentioned in the Policy Schedule
- 4.22 Notional Payment** shall mean the agreed amount, which shall be paid as compensation to the Insured per unit deviation in Weather Index.
- 4.23 Observed Weather Index** shall mean the observed value of the Weather Index against the weather parameters covered in the Policy, which observed value will be used for determining the Strike Index or the Exit Index, during the Period of Insurance.
- 4.24 Policy** means the Policy booklet, the Schedule, any Extension and applicable endorsements under the Policy. The Policy contains details of the extent of cover available to the Insured, the exclusions under the cover and the terms and conditions of the issue of the Policy.
- 4.25 Policy Period** shall mean the period commencing from the Policy Start Date and time and ending on Policy End Date and time as specifically appearing in the Policy Schedule.
- 4.26 Proxy** means various weather parameters which triggers damage notification under the Policy.
- 4.27 Rainfall** means deficit rainfall, excess rainfall, unseasonal rainfall, rainy days, dry spells, dry days.
- 4.28 Reference Unit Area (RUA)** means the smallest possible area notified by the State Government for operation of the Weather Based Crop Insurance scheme
- 4.29 Reference Weather Station** shall mean the weather station engaged in the study or monitoring of weather or atmospheric observations as stated in Schedule I, the data from which will be used for the purpose of determining the Observed Weather Index, Exit Index and Strike Index for payment of compensation and claim settlement under this Policy
- 4.30 Scale of Finance** means finance required for raising a crop per hectare cultivated land. The scale of finance of different crops in a district is decided every year by District Level Technical Committee.
- 4.31 Schedule** means the schedule, and any annexure to it, attached to and forming part of this policy.

4.32SLCCCI means State Level Coordination Committee on Crop Insurance.

4.33Scheme means Restructured Weather Based Crop Insurance Scheme (RWBCIS), as per Operational Guidelines published by Department of Agriculture, Cooperation, and Farmer Welfare, Ministry of Agriculture & Farmers Welfare, Government of India.

4.34Sum Insured means the amount as stated in the Policy Schedule which shall represent the Company's maximum liability for any and all claims incurred under the Policy,

4.35Strike Index shall mean the Observed Weather Index level at which the Insured becomes eligible for claim payment

4.36Temperature mean High Temperature (heat), low temperature.

4.37TermSheet shall mean the document attached to the Policy Schedule which contains the weather index along with the Strike Point, Exit Point, Notional Payment and which shall be the basis for claim settlement

4.38Unit for Agriculture purpose shall mean standard measureable unit of land area (acre / hectare) and for Non-Agricultural purpose shall mean a specific place or location where a business activity or an event is being carried out and for which insurance is being sought.

4.39Weather Index shall mean the mathematical construct on the basis of which Policy is issued. Weather Index would be constructed with any one or a combination of the following weather parameters

- a) Rainfall (Deficit /Excess/Dry Spells)
- b) Temperature (High/Low)
- c) Humidity
- d) Wind Velocity
- e) Solar Radiation
- f) Any other weather parameter that are measurable

5 Exclusions

The Company shall not be liable to make any payment under the Policy, in respect of any claim in connection with or in respect of:

5.1 War Group Perils

Any loss directly or indirectly caused by or arising from or attributable to war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, commotion, unrest, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition of or damage by or under the order of any government or public local authority.

5.2 Radioactivity

Any loss directly or indirectly caused by or contributed by nuclear weapons/materials or arising from ionising radiation or contamination by any nuclear fuel or from any nuclear waste or combustion of nuclear fuel.

5.3 Malicious Damage

Malicious or willful act of the farmer or any of his representative(s) or employee(s).

5.4 Preventable Risks

Any loss by risks that is otherwise preventable by the insured by taking suitable measures.

6 Sum Insured /Coverage Limit

- a) The Sum Insured (SI) for each notified crop is pre –defined and will be the same for Loanee and non– loanee farmers, which will be based on the 'Scale of Finance' as decided by the District Level Technical Committee (DLTC). If the scale of finance is not declared by the DLTC the Sum Insured will be broadly based on the cost of cultivation of the crops and will be decided the State Government .Sum Insured for individual farmer is equal to the Sum Insured Multiple by acreage of the notified crop. Area under Cultivation shall always be expressed in hectares.
- b) The Sum Insured of the crop may be distributed among the critical phases of the crop based on the accumulating input costs in its growing path of the crop during the phase .However Sum Insured assigned to the subsequent phases may be the summation of its previous phases to provide adequate compensation on damage of crop at later stages

7 Conditions/ ClausesPrecedent to Acceptance to Coverage and Claims

- i. The Company should have received the premium for coverage either from bank, channel partner, insurance intermediary or directly. Any loss in transit due to negligence by these agencies or non remittance of premium by these agencies, the concerned bank / intermediaries shall be liable for payment of claims.
- ii. In case of any substantial misreporting by nodal bank /branch in case of compulsory farmers coverage, the concerned bank only shall be liable for such mis-reporting.

- iii. Mere sanctioning/ disbursement of crop loans and submission of proposals/ declarations and remittance of premium by farmer/ bank, without explicit intent to raise the crop, does not constitute acceptance of risk by the Company.

8 Acreage Discrepancy

- i. Wherever the 'acreage discrepancy' is likely, the acreage insured at IU level shall be compared with average planted acreage of past three years, and the difference is treated as 'excess' insurance coverage after taking into account sown area data of the Revenue authority.
- ii. Sum insured is scaled down in the proportionate ratio the average of three years' actual planted acreage bears to the insured acreage for the given crop.
- iii. Claims shall be calculated on the scaled down sum insured
- iv. Premium (farmer share and Central and State Government Subsidy) shall be refunded back to Government of India for the portion of sum insured scaled down and the amount may be utilised for improvement of technology/ research/ Impact assessment etc.

9 Claim Liabilities

The liability of the Company in case of catastrophic losses computed at the National level for an agricultural crop season, shall be up to 350% of total premium collected (farmer share plus Govt. subsidy) or 35% of total Sum Insured (SI), of all the Insurance Companies combined, whichever is higher. The losses at the National level in a crop season beyond this ceiling shall be met by equal contribution (i.e. on 50:50 basis) from the Central Government and the concerned State Governments.

10 Claims Assessment and Settlement

1. The Company shall be responsible for all claims arising out of covered adverse weather perils and shall settle claims strictly as per the Policy. In case of covered adverse weather perils all the insured cultivators growing the notified crop in a RUA shall be deemed to have suffered the same level of adverse weather condition & same proportion of crop loss and become eligible for the same rate of claims.
2. Claims shall be assessed only on the basis of weather data recorded by the notified RWSs or BWS, as the case may be, and the claims process shall commence once the weather data is received by the company. The weather data providers should ensure that the exposure conditions of AWS, their standardization / calibration, maintenance and weather data transmission meet the guidelines issued by the Government.
3. Claims processing shall be strictly as per the insurance term sheets, payout structure and the Scheme provisions. Claims shall be worked out as per the Insurance Declarations received from the Nodal Branches/ Nodal Banks for each notified area and crop.
4. All standard Claims shall be processed and paid within 45 days from the end of the risk period. Further verification & collection of relevant documents / papers, if required, in respect of affected farmers shall be completed within a period of 30 days from payment of standard claims of season.
5. The Company shall verify about the insured farmers, crops & areas before approaching the Government for release of Subsidy. Cases of area discrepancies under RWBCIS will be settled as per procedure, and such cases should be settled within a maximum period of three months from closing of crop season.
6. Disputed claims / sub-standard claims, if any, shall be referred through State Government to DAC&FW for disposal by the company and the decision or any interpretation of DAC&FW of provisions of scheme or disputes shall be binding on all concerned.
7. If observed index value falls below or above, (as the case may be) the notified trigger value, then claims per unit shall be calculated using following formula depending upon index definition:

Claims per Unit = (Difference between Observed & Notified index values) X Notional Payout

Overall claims will be 'Claims per Unit' X 'Number of units'

11 General Conditions

11.1 Disclosure of Information

The Policy shall be void and all premium paid hereon shall be forfeited to the Company, in the event of mis-representation, mis-description or non-disclosure of any material fact.

11.2 Reasonable Care

The Insured shall take all reasonable steps to safeguard the interests of the Insured against loss or damage that may give rise to a claim.

11.3 Condition Precedent to Admission of Liability

The due observance and fulfillment of the terms and conditions of the Policy, by the insured, shall be a condition precedent to any liability of the Company to make any payment by the Policy.

11.4 Material Change

The Insured shall immediately notify the Company by in writing of any material change in the risk.

12.4.1 Change of Crop

Loanee and Non Loanee farmers shall notify the Company in writing regarding change in crop, supported by sowing certificate (if applicable), at least 30 days before the cut-off-date for buying insurance or sowing.

11.5 Records to be Maintained

The Insured shall keep an accurate record containing all relevant particulars and shall allow the Company to inspect such record. The Insured shall within one month after the expiry of the Insurance Policy furnish such information as the Company may require.

11.6 Insurable Interest

During the policy period, the insured/ farmer should possess insurable interest for the notified/ insured crops. The non-loanee farmers are required to submit necessary documentary evidence of land records prevailing in the State (Records of Right (RoR), Land possession Certificate (LPC) etc.) and/ or applicable contract/ agreement details/ other documents notified/ permitted by concerned State Government (in case of sharecroppers/ tenant farmers).

11.7 Communication

- i. All communication should be made in writing.
- ii. The Policy related issues to be communicated to the Policy issuing office of the Company at the address mentioned in the schedule.
- iii. Any change of address, crop or any other change affecting any of the insured person, shall be communicated to the Policy issuing office of the Company at the address mentioned in the schedule
- iv. The Company shall communicate to the insured at the address mentioned in the schedule.

11.8 Notice of charge

The Company shall not be bound to take notice or be affected by any notice of any trust, charge, lien, assignment or other dealing with or relating to this Policy, but the payment by the Company to the Insured or his legal representative of any compensation or benefit under the Policy shall in all cases be an effectual discharge to the Company.

11.9 Special Provisions

Any special provisions subject to which this Policy has been entered into and endorsed in the Policy or in any separate instrument shall be deemed to be part of this Policy and shall have effect accordingly.

11.10 Payment of Claim

All claims by the Policy shall be payable in Indian currency.

11.11 Right to Inspect

If required by the Company, an agent/representative of the Company including a loss assessor or a Surveyor appointed in that behalf shall in case of any loss or any circumstances that have given rise to the claim to the Insured be permitted at all reasonable times to examine into the circumstances of such loss. The Insured shall on being required so to do by the Company produce all books of accounts, receipts, documents relating to or containing entries relating to the loss or such circumstance in his possession and furnish copies of or extracts from such of them as may be required by the Company so far as they relate to such claims or will in any way assist the Company to ascertain in the correctness thereof or the liability of the Company under the Policy.

11.12 Fraud

The Company shall not be liable to make any payment under if the same is in any manner fraudulent or supported by any fraudulent means or device whether by the insured or by any other person/ entity acting on his behalf.

11.13 Cancellation (applicable to policies issued to Non-loanee farmers only)

- i. The Company may at any time cancel the Policy (on the grounds of fraud, moral hazard, misrepresentation or noncooperation) by sending the insured thirty days' notice by registered letter at insured's last known address, and in such an event, the Company shall not allow any refund.
- ii. The insured may at any time cancel the Policy and in such an event, the Company shall not allow refund of premium.

11.14 Territorial Jurisdiction

All disputes or differences under or in relation to the Policy shall be determined by an Indian court in accordance to Indian law.

11.15 Arbitration

- i. If any dispute or difference shall arise as to the quantum to be paid by the Policy, (liability being otherwise admitted) such difference shall independently of all other questions, be referred to the decision of a sole arbitrator to be appointed in writing by the parties here to or if they cannot agree upon a single arbitrator within thirty days of any party invoking arbitration, the same shall be referred to a panel of three arbitrators, comprising two arbitrators, one to be appointed by each of the parties to the dispute/difference and the third arbitrator to be appointed by such two arbitrators and arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act, 1996.
- ii. It is clearly agreed and understood that no difference or dispute shall be referable to arbitration as herein before provided, if the Company has disputed or not accepted liability under or in respect of the Policy.
- iii. It is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon the Policy that award by such arbitrator/arbitrators of the amount of expenses shall be first obtained.

11.16 Contribution

If at the time of the happening of any loss or damage covered by this Policy, there shall be existing any other insurance of any nature whatsoever covering the same subject matter of this insurance, whether effected by the Insured or not, then the Company shall not be liable to pay or contribute more than its rateable proportion of any loss or damage.

11.17 Disclaim Liability

If the Company shall disclaim liability for a claim hereunder and if the insured person shall not within twelve calendar months from the date of receipt of the notice of such disclaimer notify the Company in writing that he/ she does not accept such disclaimer and intends to recover his/ her claim from the Company, then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

11.18 Revision of Terms of the Policy (Following Review of the Scheme)

The Company, in future, may revise or modify the terms of the Policy including the premium rates following review and modification of the Scheme.

11.19 Free Look Period(available to policies issued on individual basis)

The Free Look Period shall be applicable at the inception of the Policy.

The insured shall be allowed a period of fifteen days from date of receipt of the Policy to review the terms and conditions of the Policy, and to return the same if not acceptable.

If the insured has not made any claim during the Free Look Period, the insured shall be entitled to

- i. a refund of the premium paid less any expenses incurred by the Company and the stamp duty charges; or
- ii. where the risk has already commenced and the option of return of the Policy is exercised by the insured, a deduction towards the proportionate risk premium for period on cover

12 Redressal of Grievance

Grievance Level 1 –In case of any grievance relating to servicing the Policy, the insured person may submit in writing to the Policy issuing office or regional office for redressal.

Grievance Level 2 –If the grievance remains unaddressed, insured person may contact Customer Relationship Management Dept., National Insurance Company Limited, Chhabildas Towers, 6A, Middleton Street, Kolkata - 700071.

Grievance Level 3 –If the insured person is not satisfied, the grievance may be referred to “Agriculture Insurance Dept.”, National Insurance Company Limited, 3 Middleton Street, Kolkata - 700071.

For more information on grievance mechanism, and to download grievance form, visit our website www.nationalinsuranceindia.nic.co.in.

The Company shall resolve all the grievances of the insured farmers and other stakeholders in the shortest possible time.

Escalation –Disputed claims / sub-standard claims, if any will be referred within three months of claim disbursement through SLCCCI/ State Government to DAC & FW for consideration and decision of DAC & FW in case of any interpretation of provisions of scheme or disputes will be binding on State Government / the Company/ Banks and the farmers.

Insurance is the subject matter of solicitation