

[25 July, 2006)

RAJYA SABHA

(b) its financial impact on the national exchequer for the current year?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Dearness Allowance (DA)/ Dearness Relief (DR) to Central Government Employees/Pensioners is revised twice a year from 1st January and 1st July and normally payable with salary for the months of March and September respectively. The revised amount of DA/DR will be notified in due course.

#### **Loan for handloom weavers**

114. SHRI K.E. ISMAIL: Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering a proposal for extending the low interest loan facility to handloom weavers as was done for farmers; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) It has been decided that Ministry of Finance in consultation with Ministry of Textiles and other stake holders shall discuss the problems relating to credit to the handloom weavers. No decision has been taken as of now.

#### **Settlement of crop insurance claims**

115. SHRI MULE VENKATA MYSURA REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Insurance Companies consider threshold yield as bench mark for settling claims of groundnut and paddy crops;

(b) if so, what is the procedure adopted for arriving threshold yield of groundnut and paddy crops;

(c) whether it is also a fact that the procedure adopted for settling the crop insurance claim is detrimental to the farmers; and

(d) if so, whether there is any proposal to review and revive the procedure adopted for settling crop insurance claims?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Yes, Sir.

(b) Agriculture Insurance Company of India Limited (AICL) has reported that the threshold yield is the moving average of yield (3 years for wheat and paddy and 5 years for all other crops including annual commercial/horticultural crops) multiplied by its eligible Level of Indemnity (IL). The yield data, based on Crop Cutting Experiments (CCEs), is provided by the concerned State/UT Government. The IL is fixed taking into account the variation in past 10 year's yield data as shown by the Coefficient of Variation (CV).

Value of CV between 0-15: IL would be 90%.

Value of CV between 15-30: IL would be 80%.

Value of CV above 30: IL would be 60%.

Therefore, the threshold yield of paddy and groundnut are arrived at by multiplying the average yield of past 3 and 5 years, respectively, with the eligible IL.

(c) and (d) No, Sir. As per the assessment done by AICL, the farmers have received claims more than three times the net premium paid by them. For paddy and groundnut, the pay out has been more than four times the premium.

#### **issue of guidelines for Anti-Money Laundering Regime**

116. SHRI RAVULA CHANDRASEKAR REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the IRDA has issued guidelines for the Anti-Money Laundering Regime recently;

(b) if so, the details thereof;

(c) the difference between the earlier and the present guidelines; and

(d) the aims and objectives in framing these guidelines?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Yes, Sir. The Insurance Regulatory & Development Authority (IRDA) has reported that it has issued guidelines on 31st March, 2006 to all the insurers to put in place a policy on Anti-Money Laundering measures by 1st July, 2006.