

Coconut: modified insurance policy likely

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With few takers for the Agriculture Insurance Company's (AIC) Coconut Palm Insurance Scheme (CPIS) in the State and other parts of the country, the Coconut Development Board (CDB) has proposed to bring out a modified insurance policy.

The scheme, which was introduced during 2009-10, has negligible number of buyers in the State.

Only 694 growers opted for the scheme covering 95,746 palms covered under the scheme in 2012-13, according to Agriculture Insurance Company and Coconut Development Board officials here.

Agriculture Insurance Company launched the scheme for 18 coconut growing districts of the State to provide insurance to coconut growers against natural calamities.

A few number of growers in Tiptur, Honnali, Davangere, Harappanahalli, Jagalur and Challakere opted for the scheme.

The scheme entered the fifth year this year (2013-14) and the Coconut Development Board has proposed some modifications to the scheme to the Union Ministry of Agriculture, to increase area coverage well as to make it cost effective. It was proposed to include areas or regions under the scheme to ensure coverage to all palms or entire palm plantations, the officials said.

The coverage of one or two palms was not cost effective for the Coconut Development Board or the Agriculture Insurance Company since assessing the damage to a few palms was time consuming and financially unviable, the officials said.

The other suggested modifications include the extension of the scheme for three years instead of one, and increase the insurance amount from Rs. 600 per coconut palm to Rs. 2,000.

"It is economically unviable to us to assess the insurance claims of one or two trees in some remote villages. Areas or region-wise coverage of all palms will make the scheme cost effective," the officials said.

Coconut trees are spread over 4.86 lakh hectares in Karnataka. While the annual production is 3,056 million tonnes of coconuts, the productivity per hectare is 7,100 coconuts.