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Blossom

Issue: September 2017



India: Area under kharif planting shrinks due to uneven rains

Planting of kharif crops this season has slipped behind last year's figure largely due to uneven spread of rainfall during July-August sowing months. According to latest numbers from the agriculture ministry, kharif crop planting has covered 104.2 Million hectare land from June up to September 8, a 0.83% decline from 105 Million hectares a year earlier.

Pulses and oil seeds saw the most declines, followed by rice and coarse cereals. Planting of food crops suffered as farmers moved to more remunerative cash crop such as cotton and sugarcane due to lucrative pricing.

The government has set a target of planting kharif crop on 105.9 Million hectares this year. Meanwhile, data from the weather department shows monsoon rainfall has been 5% below normal so far this year.

The area of pulse cultivation dropped 3.92% to 13.9 Million hectares. Rice was planted on 37.1 Million hectares, down 1.44%. The target for rice this season is 39.6 Million hectares. Sugarcane, on the other hand, was planted on 5 Million hectares, up 9.29% from a year earlier, while the area under cotton was 18.94% higher at 12.1 Million hectares.

Source: <http://economictimes.indiatimes.com>



India: GIC Re bright spark among Asian reinsurers in 2016

US-based rating agency AM Best, in its global reinsurance review, said that among Asian companies growth was primarily driven by General Insurance Corporation of India (GIC Re) in 2016.

Among the Asian companies on the list, GIC Re of India grew very strongly, owing to the country's government-sponsored crop insurance programme coupled with relatively weak solvency capital as its cedants.

GIC Re posted an 82.2 percent growth in its gross premium to INR 33,585 crore (USD 5.09 Billion) in FY17 compared to FY16, on back of a big jump in the Pradhan Mantri Fasal Bima Yojana - the crop insurance scheme.

The state-owned reinsurer's net profit jumped 10 percent rise for the financial year ended March 31, 2017. The reinsurer posted profit after tax of INR 3,127 crore (USD 474 Million) in FY17 as compared to INR 2,848 crore (USD 432 Million) posted in FY16.

GIC Re has filed for an initial public offering (IPO) with Securities and Exchange Board of India (SEBI) and is the only state-owned reinsurer in the country. GIC Re's top-line may face strong hurdles, as those more foreign reinsurers have opened branches in India recently and some of GIC Re's cedants are considering an IPO.

Source: <http://www.moneycontrol.com>



INDIA: Floods won't have much impact on farm output

Fields have been flooded in many states, damaging standing crops, but there would be no major impact on output as farmers can replant rice, castor and pulses after water recedes and the industry expects prices to be unaffected because of adequate food stocks, making rainfall in September critical.

Overall the floods will not make a major impact on production but it will locally impact farmers and livestock. More than 2500 thousand hectare area is under water in flood hit states of Gujarat, Rajasthan, Bihar, West Bengal and Assam.

In Assam and eastern Uttar Pradesh region the severity of crop loss was less compared to Bihar where fields were inundated with water. In 10-12 districts in Bihar, paddy has been hit. In Gujarat, West Bengal and Rajasthan flooded fields are concentrated in one or two districts with water receding, so no major impact on crop production.

Floods have wreaked havoc in northern parts of Bihar causing damage to paddy and maize crops. Sixteen districts of the state namely, Sitamarhi, West Champaran, Katihar, Madhubani, East Champaran, Darbhanga, Madhepura, Supaul, Kisanganj, Gopalganj, Purnea, Muzaffarpur, Khagaria, Saran, Saharsa and Sheohar are affected.

State government has come up with Akashmik Fasal Yojana to tackle this sudden disaster that has happened due to incessant rains in northern Bihar. "The state government has made an allocation of INR 24.28 crore (USD 3.68 Million) for buying seeds and distribute to farmers so they can undertake replantation.

Floods had affected 800 thousand hectares land in Gujarat state largely in Banaskantha and Patan with cotton, groundnut and pulses. Approximately, out of the 800 thousand hectares, 250 thousand hectares under various crops have been hit.

In Assam floods covered 60% of the 308 thousand hectares have damaged crops. Consecutive floods for three years this kharif season in the state have hit paddy, vegetable and jute planting. Rice nurseries and fields are inundated.

West Bengal, Bihar's neighbouring state, is also facing the wrath of floods. In north Bengal, 500 thousand hectares of crop area is under water. The total estimated crop loss is to the tune of Rs 2,500 crore (USD 379 Million).

In Rajasthan, where 4.5 lakh hectares land largely under bajra, moong and moth, planting has been affected. There have been floods in southern parts of the state which affected 5% of the kharif crops that include groundnut, soybean, paddy and urad.

Source: <http://economictimes.indiatimes.com>



Myanmar: Insurance schemes to be introduced to farmers

Several different insurance schemes could soon be made available to farmers and fishermen in Myanmar.

A coordination meeting on the introduction of insurance services for farmers and fishers was held at the Union of Myanmar Federation of Chambers of Commerce and Industry in Yangon in August 2017.

The nod given by the Myanmar Insurance Business Supervisory Board to resume the life insurance system for farmers will be beneficial to both the local agricultural sector and rural people. At a meeting with farmers in Ayeyawady Region, Myanmar Rice Federation (MRF) expressed their desire to resume the insurance system that existed when they were young.

MRF pays attention to farmers’ demands and forwards their requests to government departments and policymakers. The MRF is also making efforts to

ensure the emergence of natural disaster insurance and crop insurance.

Crop insurance has been approved in Myanmar Parliament. “Myanmar Insurance discussed the introduction of a weather-based insurance system with Japan. The crop insurance system will be introduced after step-by-step decisions made by the government, the Insurance Supervisory Board and the Ministry of Planning and Finance.

Currently, only the state-owned Myanmar Insurance can offer crop insurance. A Japanese insurance company has submitted a proposal to Myanmar Insurance to provide rainfall-based insurance services in Pyay and Shwebo townships.

Source: <http://www3.asiainsurancereview.com>



AFRICA: Nigeria, Morocco Collaborate On Agricultural Insurance

Nigeria and Morocco have set up a steering committee to develop a sustainable crop insurance scheme for the country.

The Committee, comprising representatives of the Nigerian Agricultural Insurance Corporation (NAIC), Bank of Agriculture, the Moroccan Agricultural Insurance Company (MAMDA) and MAMDA RE. In developing the insurance scheme, the committee is expected to use parametric products and leverage on the Moroccan model for crops covering selected areas of between 5000 and 10,000 hectares of land.

The establishment of the committee was another step by government towards boosting agriculture as an alternative revenue earner for the country given the volatile nature and uncertain future of oil which was until now the mainstay of the economy.

With the growing challenges posed to agriculture by climate change, there was need for Nigerian farmers to accept climate smart agriculture and embrace agricultural risk management.

Source: <http://allafrica.com>

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