Rainfall Insurance Scheme
for Coffee (RISC) – 2011-12

Kerala

Blossom, Backing, Monsoon
& Post Monsoon Showers

Agriculture Insurance Company of India Ltd
Regional Office (Kerala): T.C. 14/1765, Ground Office,
Vazhuthacaud Road, Bakery Junction,
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Ph. (0471) 2334493; Fax (0471) 2334989
Website: www.aicofindia.com

Coffee Board
Head Office: No. 1, Dr. B.R. Ambedkar Veedhi
Bangalore – 560 001
Ph. (080) 22266991-4; Fax (080) 22255557
Website: www.indiacoffee.org
Rainfall Insurance Scheme for Coffee (RISC) – 2011-12

Coffee Rainfall insurance is a unique rainfall insurance product specially designed for the coffee growers of Karnataka, Kerala and Tamil Nadu. This product has been designed by the Agriculture Insurance Company of India Limited (AIC) in consultation with Coffee Board, Central Coffee Research Institute and the Coffee Growers of these states. This rainfall insurance provides effective risk management aid to those coffee growers likely to be impacted by adverse rainfall incidence. The most important benefits of Coffee Rainfall Insurance are:

1. Trigger events like adverse rainfall can be independently verified and measured.
2. The parameters considered in designing this insurance product are relevant, appropriate and to a large extent captures the rainfall induced risks affecting Coffee production.
3. Allows for speedy settlement of indemnities.

Scope of Coverage

The policy compensates the insured, against the likelihood of diminished coffee output / yield resulting from shortfall / excess in the actual rainfall (as the case may be) for different coverage options within a specific geographical location and specified time period, subject to a maximum of the Sum Insured specified in the policy under each of the coverage options. RISC provides payout against deficit rainfall in blossom & Backing showers and excess rainfall during monsoon & post monsoon showers.

The policy provides the following coverage options:

**“Blossom Showers”** shall mean the rainfall received between 20th February to 5th April (Robusta) and 1st March to 30th April (Arabica) for the bud to flower (bud enlargement and anthesis). The normal requirement of rainfall is 25 mm in seven consecutive days for Arabica and 20 mm in seven consecutive days for Robusta.

**“Backing Showers”** shall mean the rainfall received from 18th day of the starting of Blossom Showers till 40th day to achieve fruit development & retention. The normal requirement of rainfall is 12 mm in two consecutive days.

**“Monsoon Showers”** shall mean the rainfall received during 1st June to 30th September for the fruit to grow in size. The rainfall within normal range is beneficial for early ripening and maturity. The aggregate rainfall of beyond a specified limit (distinct for each zone) in any seven consecutive days during the period is likely to adversely affect the coffee yield.
“Post Monsoon Showers” shall mean the cumulative rainfall of at least 100 mm received continuously over a period of 5 days in case of Arabica during 1\textsuperscript{st} November to 31\textsuperscript{st} January. The cumulative rainfall of at least 125 mm received continuously over a period of 7 days in case of Robusta coffee during 1\textsuperscript{st} December to 15\textsuperscript{th} February.

**Period of Insurance:** The insurance operates during 20\textsuperscript{th} February, 2011 to 15\textsuperscript{th} February, 2012 for Robusta and 1\textsuperscript{st} March, 2011 to 31\textsuperscript{st} January, 2012 for Arabica. The periods under different coverage are as follows:

“Blossom Showers Period”
The period of insurance for Robusta variety shall be from 20\textsuperscript{th} February to 5\textsuperscript{th} April and from 1\textsuperscript{st} March to 30\textsuperscript{th} April for Arabica varieties.

“Backing Showers Period”
The period of insurance for both Robusta & Arabica varieties shall be from 18\textsuperscript{th} day of starting of Blossom showers till 40\textsuperscript{th} day failing which the period for Backing showers shall be from 1\textsuperscript{st} May till 19\textsuperscript{th} May.

“Monsoon Showers Period”
The period of insurance for both Robusta & Arabica varieties shall be from 1\textsuperscript{st} June to 30\textsuperscript{th} September.

“Post Monsoon Showers Period”
The period of insurance for Robusta from 1\textsuperscript{st} December, 2011 to 15\textsuperscript{th} February, 2012 and for Arabica from 1\textsuperscript{st} November, 2011 to 31\textsuperscript{st} January, 2012.

**Insured**

Any coffee grower, cultivating Robusta / Arabica variety of coffee in the selected zones of Kerala are eligible to buy the insurance.

**Options to choose**

The Insurance options available during the season are – (1) Blossom Showers; (2) Backing Showers; and (3) Monsoon Showers (4) Post Monsoon Showers. A grower can choose insurance for (i) Blossom Showers (ii) Monsoon Showers (iii) Post-Monsoon Showers (iv) Blossom & Backing Showers (v) Blossom & Monsoon Showers (vi) Blossom, Backing & Monsoon Showers (vii) Blossom, Backing, Monsoon & Post Monsoon Showers (viii) Monsoon & Post Monsoon Showers
Claim triggers

“Blossom Showers Trigger” shall mean a point below which the payout triggers. The payout shall commence if the rainfall is below 20 mm for Robusta and 25 mm for Arabica during the specified period (in seven consecutive days) and full payout is given if the rainfall is below 5 mm. Incase there are multiple events and all are less than 20 mm for Robusta and 25 mm in Arabica (in seven consecutive days), the event with maximum rainfall would be considered.

“Backing Showers Trigger” shall mean a point below which the payout triggers. The payout shall commence if the rainfall is below 12 mm in two consecutive days, and full payout is given if the rainfall is below 5 mm. The period for Backing Showers shall be counted from 18th day of the starting of Blossom Showers till 40th day failing which the period for backing showers shall be from 1st May till 19th May.

“Monsoon Showers Trigger” shall mean a point above which the payout triggers. The payout shall commence if the aggregate rainfall is beyond a specified limit (distinct for each zone) in any seven consecutive days during the period. A single event of highest rainfall would be considered for deciding the payout.

“Post Monsoon Showers” shall mean a point above which the payout triggers. The payout shall commence if the aggregate rainfall is beyond 100 mm in any 5 consecutive days for Arabica and if the aggregate rainfall is beyond 125 mm in any 7 consecutive days for Robusta during the period. One event of highest rainfall would be considered for deciding the payout.

Agencies for data

“Reference Rain gauge Station (RRGs)” shall mean the rain gauge stations of ISRO AWS, Kerala State Electricity Board, KGP Private Estate and the Automatic Weather Station (AWS) set up by National Collateral Management Services Ltd. (NCMSL) etc. The Rainfall data shall be collected from the “Reference Rain gauge Station”, as specified in the Cover Note/Master Policy as the case may be.

“Backup Rain gauge Station (BRGs)” The rainfall data of the Backup Rain gauge station shall be considered for those specific dates for which rainfall data from the Reference Rain gauge station are not available. In the event of data gaps from BRGs the most appropriate data would be used for the purpose. The rainfall data shall be collected from the “Backup Rain gauge station as specified in the cover note/Master Policy as the case may be.
**How Claims become Payable:**
In the event that, in the geographical location (coffee zone) and during the time period specified in the schedule to this policy for different options, the actual rainfall is deficit / excess compared to the specified trigger level, the benefit payable to the insured shall be a sum specified corresponding to the trigger level, subject to maximum of the sum insured specified under various options of the scheme.

**Claim Documentation:**
Claims are automated; and will be settled on the basis of actual rainfall data received from the concerned agencies/ institutions. Claims when become payable, will be paid at a uniform rate to all the insured growers in the Coffee Zone growing a particular variety of coffee. The claims if any, would be disbursed by means of at par cheques in the name of the insured and dispatched by Registered Speed Post.

The insured shall be required to furnish the copy of the confirmation certificate as a proof of insurance and any other document / proof specifically requested by Agriculture Insurance Company of India Limited (AIC) for the settlement of the claim.

**Sum Insured**

Maximum sum insured per hectare for Robusta and Arabica varieties shall be Rs. 20,000 and Rs. 30,000 respectively for Blossom, Backing, Monsoon & Post Monsoon phases. This is the maximum indemnity that AIC will pay in all under each cover note / policy. The phase-wise break-up is as follows:

<table>
<thead>
<tr>
<th>Phase</th>
<th>Robusta</th>
<th>Arabica</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blossom Showers</td>
<td>Rs. 5,000</td>
<td>Rs. 9,000</td>
</tr>
<tr>
<td>Backing Showers</td>
<td>Rs. 3,000</td>
<td>Rs. 5,000</td>
</tr>
<tr>
<td>Monsoon Showers</td>
<td>Rs. 6,000</td>
<td>Rs. 8,000</td>
</tr>
<tr>
<td>Post Monsoon Showers</td>
<td>Rs. 6,000</td>
<td>Rs. 8,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>Rs. 20,000</strong></td>
<td><strong>Rs. 30,000</strong></td>
</tr>
</tbody>
</table>

**Premium**

Premium chargeable would be statistically/actuarially calculated based on the type of coffee crop, location, the coverage sought, the past rainfall pattern in the specified geographical area and the acreage under cultivation. Those growers who buy all four phases together would save on the premium.
Premium Subsidy

Coffee Board is extending premium subsidy to all small coffee growers with plantation size up to 10 hectares to cover the Sum Insured for all four risk windows i.e. Blossom, Backing, Monsoon & Post Monsoon Showers. The subsidy is as follows:

<table>
<thead>
<tr>
<th>Arabica</th>
<th>Robusta</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidy (per Hectare)</td>
<td>Subsidy (per Hectare)</td>
</tr>
<tr>
<td>50% of the premium amount subject to a ceiling of Rs.2,500/-</td>
<td>50% of the premium amount subject to a ceiling of Rs.2,000/-</td>
</tr>
</tbody>
</table>

How to avail insurance

Planters can avail insurance in the respective Coffee Board Liaison Office of Idukki, Palakkad and Wayanad Districts in Kerala who are authorized to collect proposal form & premium. The respective Coffee Board Liaison Office would also help the growers in providing and filling up insurance proposals. Premium net off subsidy may be paid through Demand Draft of “Agriculture Insurance Company of India Limited, Account No. 11301020002318” payable at Thiruvananthapuram within the stipulated time. The large growers can also enroll with Coffee Board by paying full premium in the form of DD in favour of “Agriculture Insurance Company of India Limited, Account No. 11301020002318” payable at Thiruvananthapuram within the stipulated time.

Insurance availing period

During RISC 2011 season Blossom, Backing, Monsoon & Post Monsoon showers coverage can be availed till 28th February, 2011 (Arabica), and 19th February, 2011 (Robusta), Monsoon & Post Monsoon coverage insurance can be availed till 31st May, 2011 (Arabica & Robusta) and Post Monsoon insurance can be availed till 31st October, 2011 for Arabica and 30th November, 2011 for Robusta.

Notices

Any notice, direction or instruction given under this Policy shall be in writing and delivered by hand, post, or facsimile to:

Agriculture Insurance Company of India Limited

<table>
<thead>
<tr>
<th>HEAD OFFICE:</th>
<th>REGIONAL OFFICE(KERALA):</th>
</tr>
</thead>
<tbody>
<tr>
<td>13th Floor, Ambadeep Building, Kasturba Gandhi Marg, Connaught Place, New Delhi-110001 Ph: (011) 46869800; Fax (011) 46869815</td>
<td>Regional Office (Kerala): T.C. 14/1765, Ground Office, Vazhuthacaud Road, Bakery Junction, Thiruvananthapuram-695 014 Ph. (0471) 2334493; Fax (0471) 2334989 E-mail: <a href="mailto:aic.ro_thiruvananthapuram@yahoo.co.in">aic.ro_thiruvananthapuram@yahoo.co.in</a></td>
</tr>
</tbody>
</table>
Notice and instructions will be deemed served seven days after posting or immediately upon receipt in the case of hand delivery, facsimile or e-mail.

**Important Notice**

The zone wise master policy must be produced through liaison office of the Coffee Board by the beneficiary and must be produced by the nominee, in the unfortunate event of the beneficiary’s death or disablement, at the time of submitting a claim. In the event that a claim is to be submitted, the beneficiary / nominee may contact the Company through the telephone numbers provided above. It shall be at the Company’s sole discretion to determine whether a particular claim is valid and admissible.

*Insurance is the subject matter of solicitation*

Disclaimer: This brochure is printed for information and publicity purpose only, not to be construed as documentary evidence in case of any disputes.

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# RAINFALL INSURANCE SCHEME FOR COFFEE (RISC)

**PROPOSAL FORM**

<table>
<thead>
<tr>
<th>Proposal No:</th>
<th>Year:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. (a) Name of the Proposer

1. (b) Proposer’s insurable interest (Owner / Share-cropper / Tenant)

2. Father’s / Husband’s name

3. Address with phone no.

<table>
<thead>
<tr>
<th>4. Bank account Details:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(a). Account Number</td>
<td></td>
</tr>
<tr>
<td>(b). Name of the Bank</td>
<td></td>
</tr>
<tr>
<td>(c). Branch Name</td>
<td></td>
</tr>
<tr>
<td>(d). IFSC Code</td>
<td></td>
</tr>
</tbody>
</table>

5. Whether Patta/Khata/CRC/RTC/Krishi Pass Book enclosed or not YES / NO

6. Coffee variety Cultivated

<table>
<thead>
<tr>
<th>ROBUSTA</th>
<th>ARABICA</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Tick relevant Coffee Variety)</td>
<td></td>
</tr>
</tbody>
</table>

7. Total Coffee Area under cultivation (in Acres)

8. Acreage proposed for insurance (in Acres)

9. Details of area where the crop is grown and proposed for insurance

10. **Insurance Phases (Tick relevant ones)**

(i) Blossom Showers

(ii) Monsoon Showers

(iii) Post-Monsoon Showers

(iv) Blossom & Backing Showers

(v) Blossom & Monsoon Showers

(vi) Blossom, Backing & Monsoon Showers

(vii) Blossom, Backing, Monsoon & Post Monsoon Showers

(viii) Monsoon & Post Monsoon Showers

11. Premium payable by Grower with Service Tax (Rs) / per Acre (after adjusting 50% subsidy)

12. **Details of the premium payment made**

(a). Name of the DD issuing Bank / Branch

(b). D.D. Number and date

(c). DD Amount (Rs)

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(a).</td>
<td>(b).</td>
</tr>
<tr>
<td>(c).</td>
<td></td>
</tr>
</tbody>
</table>

Note:

1. The Planters having more than 25 acres full premium (without subsidy) should be collected as per the Term sheet.
2. Separate Proposal Forms should be submitted for each Arabica & Robusta varieties

Name & signature of the proposer

Name & signature of the Coffee Board Liaison Officer (with Office Seal)
DECLARATION

1. I/We hereby declare that all the information furnished by me/us in this proposal form are true and correct to the best of our knowledge and belief and certify that the proposal form is filled up in accordance with the guidelines prescribed by Agriculture Insurance Company of India Limited (AIC) in this respect.

2. I/We ………………………………………………………………………the owner(s) of the ………………………………. estate with a total area of ………….acres., hereby solemnly declare that the information provided above is true to the best of my/our knowledge and correct and no material information is suppressed. I/ We further declare that the total area under coffee owned by me / us does not exceed the area indicated in the application.

3. I / We have read and understood the eligibility norms and terms and conditions of the coverage under Rainfall Insurance Scheme – Coffee (RISC), and aware that I am / We are liable for legal consequences that may arise if my/ our claim is found false at a later date.

4. I/We further understood and am / are fully aware of location of the Reference Rain Gauge (RRG) / Reference Weather Station (RWS) of Coffee Zone / Sub-Zone in which my / our coffee estate is situated and abide by the weather data. I / We will not claim damage / compensation referring other RRG / AWS either adjacent or located in the same zone/sub zone, other than the particular RRG / RWS meant for the particular Zone / Sub-Zone.

5. I/We agree that the Policy shall become voidable at the option of AIC, in the event of any untrue or incorrect statement, misrepresentation, non-description or non-disclosure in any material particular in the proposal form/personal statement, declaration and connected documents, or any material information has been withheld by me/us or anyone acting on my/our behalf to obtain any benefit under this Policy.

Signed at……………………this……………………day of……………………

Place: Signature of the Applicant/s
Date: Name in Capital letters:
STATUTORY WARNING

PROHIBITION OF REBATES
(Under Section 41 of Insurance Act 1938)

1. No person shall allow or offer to allow, either directly or indirectly as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property, in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the Insurer.

2. Any person making default in complying with the provisions of this section shall be punishable with fine, which may extend to five hundred rupees.

GUIDELINES FOR COMPLETION OF THE FORM:

1. Separate proposal forms to be submitted for Robusta and Arabica varieties.
2. The proposal form should be filled up in all respects. If necessary, additional sheets/enclosures could be used.
3. Insurance is a contract of Utmost Good Faith requiring the Insured not only to disclose all material facts but also not to suppress any material facts. All material facts, therefore, should be disclosed.
4. The Policy shall become voidable at the option of the Insurer, in the event of any untrue or incorrect statement, misrepresentation, non-description or non-disclosure in any material particular in the proposal form/personal statement, declaration and connected documents, or any material information having been withheld by the proposer or any one acting on his behalf.
5. AIC’s Offices or the designated persons can be contacted for any doubts or clarifications on the proposal form.

Note: The liability of AIC does not commence until this proposal has been accepted by AIC and premium paid.

*Insurance is the subject matter of solicitation.*
Received the Proposal Form no._________________ dated________________ for the coffee zone/subzone _____________________________ under RISC year _______________ from Sri./Smt. _________________________________ along with the following documents.

List of Documents enclosed:
1. Proof of land ownership and crops grown - Copy of CRC or Patta/Krishi Pass Book/Khat/a RTCs of all Survey numbers in Karnataka. Copy of CRC or Chitta & Adangal in Tamilnadu. Copy of CRC or Possession Certificate in Kerala.

2. Copy of photo identity – Bank Pass Book/Electoral Photo Identity Card (EPIC)/Driving License/Ration Card/Passport

3. Demand Draft No._______________ dated___________ for Rs._____________.

Place: ____________________________________________
Name & signature of the
Coffee Board Liaison Officer

Date: ____________________________ (with Office Seal)

Annexure II
RAINFALL INSURANCE SCHEME FOR COFFEE (RISC)

ACKNOWLEDGMENT RECEIPT

Received the Proposal Form no._________________ dated________________ for the coffee zone/subzone _____________________________ under RISC year _______________ from Sri./Smt. _________________________________ along with the following documents.

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1. Proof of land ownership and crops grown - Copy of CRC or Patta/Krishi Pass Book/Khat/a RTCs of all Survey numbers in Karnataka. Copy of CRC or Chitta & Adangal in Tamilnadu. Copy of CRC or Possession Certificate in Kerala.

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