

# **INSURANCE OF FISH IN PONDS**

## **1.APPLICABILITY**

This is applicable to fry/fingerlings, fish and stock, ponds and breeders in fresh water only and **not to marine fisheries or to brackish water fish**. Fish of rohu, katla, mrigal, common carp, silver carp and other recognized breeds are covered.

## **2.PERIOD OF INSURANCE**

The entire period of crop since the period varies from 3 to 12 months.

- (a) Fry to fingerlings-3 months period in rearing pond.
- (b) Fingerlings to fish stage -12 months period in stocking pond.
- (c) Breeders (age 1 yr to 5 yrs.) 12 months period in breeder ponds.

Under b – Policy period is strictly for 24 fortnights from releasing of fingerling in pond i.e. if insurance is offered at 400 gms weight (8<sup>th</sup> fortnight), policy period will automatically be for 17 fortnights only not 24 fortnights.

This will ensure that if there is flood after harvest i.e. after 24<sup>th</sup> fortnight, the insured cannot prefer a false claim as the policy will cease with 24<sup>th</sup> fortnight. If there is no such limitation, possibility of false claims after harvest in the event of flood may continue.

## **3.SUM INSURED**

The value of fish changes from Fry, fingerlings stage to the final catch/harvest period. Hence there is no fixed sum insured under the policy.

This is to be certified by an authorized officer approved in this regard and valuation table incorporated in the policy forming the basis for settlement of claims. However, the scheduled valuation table given in scheme will be the basis both for the acceptance as well as settlement of the claim.

Valuation table for fry to fingerlings	Annexure 'A'
Valuation Table for fingerlings to fish	Annexure 'B'
Valuation table for Breeders	Annexure 'c'

The value arrived at will depend on :

- (a) The cost of fry/fingerlings
- (b) Cost of Inputs
- (c) Other incidental expenses

Profit not being included in the valuation.

#### **4.RATE OF PREMIUM**

Type of Scheme	Basic Premium Rate	Optional cover (flood And allied risks) can be Granted by charging Additional premium
A. For Bank financed & other projects for fish in stock ponds or fry to fingerlings	2.4% gross on peak value	1 to 2% gross on peak value
B. For scheme through FFDA/IRDP and other Similar subsidized projects	3% Net on average value	1.70% Net on average value

**Note:** In flood prone areas tanks with below 9 contours and certified by govt. as flood prone zone, the premium shall be @ 2% and in other cases it shall be @ 1%.

The minimum premium per policy is rs.30/-

#### **SCOPE OF COVER**

The policy covers only total loss of fry/fingerlings/fish due to an accident or disease contracted or occurring during the period of insurance. Partial loss or any kind is not covered. There is no short period policy. The policy will be for one crop only. The policy cover should not be extended beyond the period stated above even with an extra premium. The policy should be taken within 1 month from the date of stocking i.e. no policy should be given to the farmers/bankers who approach for insurance after one month from the date of stocking of fry/fingerlings/breed fish. The basic cover does not include flood and allied risks. Hence additional premium should be collected for deleting that exclusion from the policy.

The cover is wide enough to include epidemics, pollution, poisoning, malicious act by third parties, riot and strike, flood and such other natural calamities are covered as an extension by payment of extra premium only. Terrorism is also covered without additional premium.

#### **Short Period Policy**

This insurance is for crop. Even if the policy is taken at 600 gms. And the policy period is 6 and half months, full premium should be collected and short period rates should not be applied.

## **EXCLUSIONS**

1. Malicious or willful injury, poisoning, negligence, error or omission by the insured or its family members or employees.
2. Any loss or damage caused by improper management, rough handling of the fry/fingerlings/fishes.
3. Partial loss of any kind.
4. Any loss or damage caused by fluctuations of temperature, under growth, worm infestation such as monogenetic trematodes, digenetic trematodes, cestode parasites, nematode parasites, fish leaches, etc.
5. Any loss or damage due to the chemical status of the soil, physical and chemical status of the water, ph-factor, low water levels, asphyxia.
6. Any loss or damage due to infidelity of any person, natural mortality, burglary, poaching and theft, clandestine sale or missing of fishes.
7. Any loss or damage while cleaning of ponds or changing of water or during transit by any means or any permanent or partial disablement of any nature.
8. Any consequential loss arising in any way whatsoever.
9. Transit by any mode.
10. Losses due to predators, competitors, weed fishes and insects diseases.
11. Death occurring within 15 days from the inception of the policy due to disease.
12. Flood, cyclone, storm, tempest, inundation and allied risks unless specifically covered on payment of additional premium.
13. War, invasion, act of foreign enemy, hostilities (whether war be declared or not) civil war, rebellion revolution, insurrection, mutiny, military or usurped power or any consequence thereof or attempt thereat.
14. Losses due to sampling of the fish which is carried out for the purpose of better growth of fingerlings.

Accidents, loss, destruction, damage or legal liability directly or indirectly caused by or contributed to by or arising from nuclear weapon material.

## **7. LIMIT OF LIABILITY**

This would be calculated on the basis of stagewise expenses shown in the valuation table and indemnity will be limited to 80% of value of fishes as on date of loss as per valuation table. Salvage amount should be deducted from the claim amount before limiting the liability to 80%.

## **8. IMPORTANT POLICY CONDITIONS**

1. The insured shall at all times exercise all reasonable care and precaution and in every manner provide the same care and attention as if no insurance has been effected.
2. The insured shall arrange round the clock security to take suitable measure to protect the pond from the outside.

3. The project shall have efficient attention and extension services.
4. The regular and effective liming, swimming and feeding should be provided.
5. The soil and water of the project area must be proper and should ensure expected productivity.
6. The project area should have strong and sufficient bunds.
7. The water level should be maintained properly.
8. The regular water analysis should be done at appropriate intervals.
9. In the event of an outbreak of any disease or any peril, all the precautions should be taken to arrest the spreading of the disease under advice to the company immediately.
10. Proper record of stocking, harvesting, daily stock position, feeding, disease occurrence, preventive steps, inputs and expenditure should be maintained.
11. In case of death/ outbreak, immediate notice (within 24 hours ) should be given to the Company.
12. Transfer of interest(s) is not allowed.
13. Dead fishes should be removed immediately.
14. Deweeding, earth excavation and earth improvement should be done at appropriate time and record to that effect should be maintained.
15. Water movement should be regularized suitably and proper record should be maintained.

## 9. CLAIM PROCEDURE

### A. In the event of claim:

- (a) Insured is required to give immediate notice preferably within 12 hours directly to the policy issuing office of the Company in case of death of Fish which may give rise to a claim under this policy.
- (b) In the event of outbreak of an epidemic, an officer of the Company preferably Vety. Officer must visit the project area to see that necessary precautions have been taken to arrest the spreading of the disease. At the time of claim following should be submitted :
  - (i) Duly completed claim form.
  - (ii) A certificate in the form provided by the Company from the Fisheries Extension Officer (in case of FFDA programme) or an officer of equal cadre in the State Government Fisheries Deptt. or Central Inland Fisheries Research Institute certifying the cause of death and details about the loss.
  - (iii) Survey Report.
  - (iv) Revenue Authorities certificate in flood and other allied risks.
  - (v) Death certificate and lab certificate in case of diseases.
  - (vi) Receipts & Bills of expenditures.
  - (vii) Books of Accounts and records.

### B. **Salvage :** Wherever the salvage is realized, the salvage amount should be deducted from the claim amount before limiting the indemnity to 80%.

## NOTE

The valuation table enclosed should only be the maximum sum insured. We should incorporate a condition in the policy making it the insureds responsibility to prove the cost of production and our liability should be 80% of either sum insured or proven production cost whichever is less.

<b>ANNEXURE 'A'</b>			
<b>VALUATION TABLE FOR FRY TO FINGERLINGS</b>			
<b>AGE</b>	<b>SURVIVAL RATE</b>	<b>STOCKING PERIOD</b>	<b>VALUE OF FISH</b>
2 <sup>nd</sup> day to 30 days	75%	Ist month	Rs. 6 per 100
31 to 60 days	50%	2 <sup>nd</sup> month	Rs. 20 per 100
61 to 90 days	30%	3 <sup>rd</sup> month	Rs.60 per 100

<b>ANNEXURE 'B'</b>		
<b>VALUATION TABLE FOR FINGERLINGS TO FISHES</b>		
<b>Stages of Culture in Stock Pound</b>	<b>Progressive Weight (GMS) per Fish</b>	<b>Value of fish per Acre (in Rs.)</b>
1 fortnight	100	2000
2 fortnight	125	2200
3 fortnight	150	2400
4 fortnight	200	2600
5 fortnight	250	2800
6 fortnight	300	3000
7 fortnight	350	3200
8 fortnight	400	3500
9 fortnight	450	3800
10 fortnight	500	4100
11 fortnight	550	4400
12 fortnight	600	4800
13 fortnight	650	5600
14 fortnight	700	6500
15 fortnight	750	7200
16 fortnight	800	8000
17 fortnight	850	8800
18 fortnight	900	9600
19 fortnight	950	10500
20 fortnight	1000	11500
21 fortnight	1050	12500

22 fortnight	1100	13500
23 fortnight	1175	14500
24 fortnight	1250	1600

Maximum value per Hectare = Rs. 40,000/-  
Formula for Arriving at Sum Insured.

$$S.I. = \frac{\text{No of deeds released} \times \text{Expected survival \%} \times \text{Expected AB.w} \times \text{Input cost/kg}}{100 \times 1000}$$

<b>ANNEXURE 'C'</b>	
<b>VALUATION TABLE FOR BREEDERS</b>	
<b>PERIOD</b>	<b>V ALUE</b>
(1) 1 <sup>ST</sup> YEAR STOCK	RS. 30/- PER KG.
(2) 2 <sup>ND</sup> YEAR STOCK	Rs.60/- per 2 kgs
(3) 3 <sup>RD</sup> YEAR STOCK	RS. 75/- PER 3 KGS.
(4) 4 <sup>TH</sup> YEAR STOCK	RS. 100/- PER 4 KGS. (Peak value)

Above 5 Kgs. Is not insurable

**Note on Acceptance of Business :**

- (i) R.O.s having V.Os are authorized to accept the proposal for fish/prawn Insurance upto Rs.50 lacs
- (ii) Company's V.O. should inspect the fish/prawn farm to verify the valuation, health and other related features.

**NOTE :** Existing valuation table which is based on the input cost is only a guide chart and you may increase/decrease the value depending on the actual inputs and type of farming practices/technology used. You may, however, send your recommendations for increasing input cost to us if there is wide variation in the proposed sum insured and existing valuation table. Complete proposal and project report must accompany your recommendations.