

Q: Government can create a guarantee fund for insurers, increasing catastrophic losses on account of natural disasters. Elaborate.

Insurance and its penetration in India: Insurance which as

a concept is quite Abridged to a concept of savings in India has not got its full synonym or usage with the people or even with its insurers, There is always a level of ignorance in the level of understanding its business. Also the penetration rate in Insurance business in India is also fairly a double digit percentage. That has brought the reason for government to increase the State in Privatisation, in the recent Insurance Regulatory Amendment Act.

The return: The percentage of returns in it and also the time for the yield and return of time also delays the process thus make business as well as Agricultural sectors are seldom comfortable at investing in Insurance.

A different perspective of REEIT's! In the recent.

time. Trust funds are getting much prominence among all business segments and even government sector.

Eg. Kerala and Andhra Pradesh Infrastructure development fund has got a considerable investment fund for the project with minimal debt and with easy investment options, and return guarantees.

A model Akin; A similar model is what the government should be planning regarding Agriculture.

Insurance. The concept of Agriculture Guarantee fund. much like a cooperative; which is a trustable and backbone behind our Agricultural growth can bring in.

Trust between farmers and other section of Agricultural business who have the doubt of investing in.

Insurance for better results. Moreover it is always.

the arm of the government which the agriculturists.

trusts then the corporate whip, so rather than focusing on much. Insurance benefits, government ought to.

focus on Guarantee funds which works by the means of trusts.