Crop insurance is an important instrument used by farmers for mitigating the financial losses due to various types of natural calamities which damage and destruct the production. It is also one of the important instruments that can be used by farmers to stabilize their income against partial or complete crop failure on account of adverse weather or due to related adverse physical crop conditions which are beyond control. Nobody would deny the feasibility of introduction of crop insurance in agriculture. If the crop-insurance system is in force the farmers could be easily mobilized to face various hazards in agriculture.

In this dissertation we have tried to diagnose the impact of crop insurance on agricultural scenario and prescribed some policies by which both the farmers and insurers could be benefitted over a long period of time.

This dissertation has been divided into six chapters. In chapter one, we have discussed the definition of crop insurance and related issues of crop insurance of India and West Bengal. We have considered the need and objectives of this study. In chapter two, the existing review of economic literature related to crop insurance has been presented. In chapter three we deal with the presentation of econometric model of crop insurance and the corresponding method of estimation and data. In chapter four, we have studied the descriptive statistics and growth rate of area under production, output, yield, fertilizer consumption, irrigated area as proportion to total area and total revenue from Aman Paddy, Boro Paddy and Potato. In this chapter we have also analyzed the impact of crop insurance on area under cultivation, output, yield, fertilizers consumption, on the use of irrigation and total revenue from Aman Paddy, Boro Paddy and Potato. We have examined the impact of crop insurance participation, total sum insured and total premium collected on total area of production and total production of Aman Paddy, Boro Paddy and Potato. Chapter four envisages empirical evidence at micro level on insurance participation and input usage. In this chapter we have carried out the test of mean difference of insurance participation between different crops for farms of different sizes and different farm-size for
different crops. Panel regression analysis of Aman Paddy, Boro Paddy and Potato is dealt with care in this chapter. Finally in chapter six we have suggested the policy prescription.

I have got immense help for my supervisor, Dr. Maniklal Adhikary, Professor in Economics, Burdwan University in the process of carrying out this study. At every stage of my work I am saved from being slipped into the problem of logical inconsistency. On account of his sincere effort, constant watch and enthusiastic guidance I have been finally able to have this dissertation complete. I do admit of my immeasurable indebtedness to my supervisor. I am highly obliged to him.

I would like to express my gratitude to all the teachers and non-teaching staff of the Department of Economics, Burdwan University for their sincere help and co-operation.

I express my deep gratitude to Dr. Madhuri Adhikary, wife of Dr. Maniklal Adhikary for having her kind assistance.

I am grateful to the Staff of Central Library and Seminary Library, Burdwan University.

I am also obliged to the Manager and Staff, Agriculture Insurance Company of India Limited, Kolkata Branch, Kolkata.

I am grateful to the farmers and the concerned Co-operative Bank Managers in the district of Hooghly in the process of collecting primary data through personal interview for this study.

My thanks are also due to the authors of the books concerned for preparing the base of this study and to the staff of different libraries in West Bengal.

I would like to convey my gratitude to my parents, Late Sk. Rahamat Ali and Mrs. Hasina Begum without their constant inspiration and blessing throughout my career, I could not have been able to reach this stage of my life.
I am to render my deep gratitude to my mother-in-law, Noorjahan Begaum for having her blessing and constant enthuse and to my father-in-law, Khandokar Nowser Ali for his kind assistance in the process of materializing the chapters.

Khandokar Jahera Khatun, my wife, had been always in the happy mood of providing me with the much required momentum for the completion of this thesis. It would have been difficult to complete this work without her moral support and continuous encouragement.

In course of journey I got also help from numerous persons. I can not name them all. But they need to be thanked.

I express my gratitude to my sisters and brothers of my family for their moral support.

In fine I would like to state that I have tried to give a shape of this dissertation with the best of my knowledge and efforts. In spite of my sincere efforts in all respect in the preparation of this thesis, there may be some mistakes for which none but me is solely responsible.

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