

AS INTRODUCED IN LOK SABHA

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**Bill No. 55 of 2004**

**THE FISHERMEN (INSURANCE) BILL, 2004**

*By*

SHRI A.P. ABDULLAKUTTY, M.P.

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**BILL**

*to provide for comprehensive and compulsory insurance of fishermen and boats against any mishap and for matters connected therewith.*

Enacted by Parliament in the Fifty-fifth Year of the Republic of India as follows:—

1 (1) This Act may be called the Fishermen Insurance Act, 2004.

(2) It extends to the whole of India.

(3) It shall come into force at once.

Short title,  
extent and  
commencement.

5 2. In this Act, unless the context otherwise requires,—

(a) "Authority" means the Fishermen Insurance Authority constituted under section 5.

(b) "boat" means a conventional boat, motorboat, catamaran whether small or big or any such vehicle used for transporting or fishing in sea;

Definitions.

(c) "fisherman" means any person who engages himself in fishing and earns livelihood out of it;

(d) "mishap" means an accident resulting in loss of life or any physical injury, disability, handicap, whether temporary or permanent, caused to a fisherman or loss or damage to a boat while engaging in fishing due to any natural calamities or due to unforeseen circumstances. 5

(e) "prescribed" means prescribed by rules made under this Act; and

(f) "scheme" means the fishermen insurance scheme framed under section 3.

Framing of  
Fishermen  
Insurance  
Scheme.

**3. (1) The Central Government shall frame a Scheme to be known as the Fishermen Insurance Scheme, for comprehensive and compulsory insurance of fishermen and boats against any mishap.** 10

(2) The scheme shall be applicable to all fishermen irrespective of their income, size of boat and quantity of catch of fish.

(3) The scheme shall provide for—

(a) the principles and conditions governing the insurance of fishermen and boats under the scheme; 15

(b) part of insurance amount to be paid immediately to the fishermen in different mishaps caused to them due to hazards involved in their work or natural calamities;

(c) nominal rate of premium to be paid by the fishermen;

(d) the extent of insurance cover; 20

(e) the manner of making claims by fishermen or their family members; and

(f) any other matter which the Central Government may deem necessary.

Establishment  
of the  
Fishermen  
Insurance  
Fund.

**4. (1) The Central Government shall, by notification in the Official Gazette, establish a fund to be known as the Fishermen Insurance Fund which shall consist of—**

(a) premium amount received from fishermen for insurance under the Scheme; 25

(b) any amount received as contribution or donation from any individual or organisation in India or abroad; and

(2) The initial capital of the Fishermen Insurance Fund shall be rupees five hundred crore which shall be contributed by the Central Government.

(3) The Fishermen Insurance Fund shall be utilised for the payment of insurance in the following cases:— 30

(i) loss of life or injury to fishermen while engaged in fishing;

(ii) loss or damage to boat or other equipments; and

(iii) loss or damage to fish caught by a fisherman.

Constitution  
of Fishermen  
Insurance  
Authority.

**5. (1) The Central Government shall, by notification in the Official Gazette, constitute an Authority to be known as the Fishermen Insurance Authority.** 35

(2) The Authority shall administer the scheme framed under section 3.

(3) The Authority shall have a Chairman and such number of members as may be appointed by the Central Government.

(4) The Authority shall have such number of officers and staff as may be prescribed. 40

(5) The terms and conditions as to the qualifications, salary and allowances of the Chairman and members and officers/staff of the Authority shall be such as may be prescribed.

(6) The Authority shall have its head office located at Cochin.

(7) The Authority shall establish at least one or more offices in every coastal State according to the population of fishermen in the State concerned and at such other places as it may deem fit.

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| 5  | <p>6. (1) A fisherman, who is affected, may make an application in the prescribed form to the Authority for compensation.</p> <p>(2) In case of loss of life of a fisherman, the next of kin of the victim may make an application in the prescribed form to the Authority for compensation.</p>                   | <p>Provision of compensation</p>                                |
| 10 | <p>7. On receipt of an application, the Authority shall make an enquiry and on receipt of the report, if any, the Authority shall either approve of the claim, or reject the application if it has been found that a false claim has been made, within one month from the date of receipt of such application.</p> | <p>Insurance amount to be paid within one month</p>             |
|    | <p>8. If a fisherman, who has not paid premium, claims compensation, he shall be paid the compensation, if due, after deducting the amount of premium due towards him.</p>   | <p>Claim of compensation in cases of non-payment of premium</p> |
| 15 | <p>9. It shall be the responsibility of the Authority to pay the insurance amount or such part of insurance amount to a fisherman for any mishap he may be involved in during the course of his work, out of the Fishermen Insurance Fund.</p>   | <p>Payment of insurance amount</p>                              |
|    | <p>10. The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.</p>  | <p>Power to make rules</p>                                      |

### STATEMENT OF OBJECTS AND REASONS

Fishermen go to sea at great risk. Some times they even lose their lives. Their boats are damaged or lost in the sea. Their equipments are damaged. Since, there is no exclusive insurance scheme for them, they suffer as they only know the traditional profession of fishing by which they earn very meager income. In order to provide protection to the traditional fishermen community living in coastal areas of the country it is necessary to provide insurance cover to them when they suffer loss of life or physical injury or damage to their equipments in the course of fishing or during natural calamities. Such a step will alleviate the sufferings of fishermen to some extent. Therefore, it is proposed that a comprehensive insurance scheme for fishermen should be formulated.

Hence, this Bill.

New Delhi,  
July, 27, 2004

A. P. ABDULLAKUTTY

## FINANCIAL MEMORANDUM

Clause 3 of the Bill provides for framing of the Fishermen Insurance Scheme by the Central Government. Clause 4 provides for establishment of Fishermen Insurance Fund with initial capital of rupees five hundred crore to be contributed by the Central Government. Clause 5 provides for constitution of the Fishermen Insurance Authority who administer the scheme framed under the Act.

The Bill, therefore, if enacted, is likely to involve expenditure from the Consolidated Fund of India. It is estimated that an annual recurring expenditure of rupees three thousand crore is likely to be involved from the Consolidated Fund of India. A non-recurring expenditure of rupees one thousand crore is also likely to be involved.

#### MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 10 of the Bill empowers the Central Government to make rules for carrying out the provisions of the Bill. The rules will relate to matters of detail only. The delegation of legislative power is, therefore, of a normal character.

LOK SABHA

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BILL

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*(Shri A.P. Abdullakutty, M.P.)*

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