

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE, COOPERATION AND FARMERS WELFARE

LOK SABHA
UNSTARRED QUESTION NO. 1385
TO BE ANSWERED ON THE 12TH FEBRUARY, 2019

FASAL BIMA YOJANA

1385. SHRI DUSHYANT CHAUTALA:
SHRI B. SENGUTTUVAN:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) the details of the amount collected by the Government under Fasal Bima Yojana and the number of farmers benefited under this scheme till now;
- (b) whether the Government has achieved the target of beneficiaries under this scheme and if so, the details thereof;
- (c) the statistics relating to total compensation provided by the Government to farmers/insurance claims of the farmers settled since its introduction, year-wise and State/UT-wise;
- (d) whether the Government's Crop Insurance Scheme is effective enough to cover crop failures and losses to the farmers due to the natural calamities on payment of the lowest possible premium which would alleviate the rural misery and distress and if so, the details thereof;
- (e) the salient aspects of this Crop Insurance Scheme and the manner in which it is better than the schemes introduced earlier; and
- (f) whether there is any capping on the premium payable by the farmers in order to get an enhanced compensation, and if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्रालय में राज्य मंत्री (SHRI PARSHOTTAM RUPALA)

(a) to (f) : With a view to provide a simple and affordable crop insurance scheme to ensure comprehensive risk cover for crops against all non-preventable natural risks from pre-sowing to post-harvest, and to provide adequate claim amount and timely settlement of claims, Pradhan Mantri Fasal Bima Yojana (PMFBY), has been launched from Kharif 2016 by the Government. The scheme has been implemented by 27 States/Union Territories in one or more seasons.

As per the approved implementation pattern of Pradhan Mantri Fasal Bima Yojana (PMFBY), the State/UT Governments have the choice to select the crops and areas for implementation of the scheme in the respective State/UT. The number of farmers who received claims due to crop loss under PMFBY has increased from 1,44,22,403 in 2016-17 to 1,62,25,283 in 2017-18. State-wise details of gross premium, farmers share in premium, total

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claims approved and number of farmers who received claims under the scheme are at **Annexure-I**.

Crop insurance is a major risk mitigation tool for the benefit of farmers. Insurance is all about spreading out the risk over the time period and over the geographical area. Insurers save premium in good seasons/years and pay high claims, if any in bad years from the savings made in the good years.

The premium for all farmers has been reduced and the farmers are required to pay maximum 1.5% of sum insured for Rabi, 2% for Kharif season food & oilseed crops and 5% for annual commercial/ horticultural crops of sum insured. Remaining part of the actuarial/bidded premium is paid by the Central and State Government on 50 : 50 basis. With a view to make the scheme more farmer friendly by ensuring better transparency and accountability, Government has comprehensively revised the Operational Guidelines of the Pradhan Mantri Fasal Bima Yojana (PMFBY) which have become effective from 01.10.2018. Salient features of the scheme are given in **Annexure-II**.

Annexure-I

**Annexure referred to the Lok Sabha Unstarred Question No. 1385 due for 12.02.2019
State-wise details of farmers share premium collected, Gross Premium, total claims
approved and farmers benefitted under during 2016-17 and 2017-18**

State / UT	2016-17							
	Gross Premium	Farmers Share in Premium	Claims Approved	Farmers Benefitted	Gross Premium	Farmers Share in Premium	Claims Approved	Farmers Benefitted
	(Rs. in crore)			(in lakhs)	(Rs. in crore)			(in lakhs)
A & N Islands	0.02	0.00	0.15	0.003	0.03	0.01	-	0
Andhra Pradesh	845.80	199.57	902.93	8.82	1,341.38	265.77	612.88	6.09
Assam	8.65	4.97	5.15	0.23	12.51	5.37	0.78	0.01
Bihar	1,416.26	204.62	348.58	2.21	1,015.94	177.84	405.19	1.09
Chhattisgarh	325.77	136.49	160.07	1.37	382.32	139.87	1,381.35	6.43
Goa	0.07	0.07	0.03	0.001	0.05	0.05	0.00	0.0002
Gujarat	2,270.27	243.03	1,261.97	6.79	3,261.45	398.38	1,053.05	4.17
Haryana	364.39	196.53	295.97	2.19	452.45	208.48	864.38	2.79
Himachal Pradesh	71.63	31.10	45.18	1.12	77.97	30.63	50.53	1.18
Jammu & Kashmir	*	*	*	*	40.99	9.00	9.91	0.26
Jharkhand	271.81	39.63	31.17	0.60	217.18	28.62	41.61	1.16
Karnataka	1,416.64	243.40	1,924.52	14.94	1,774.65	225.17	849.66	6.60
Kerala	33.15	7.22	44.55	0.57	26.10	6.40	10.35	0.37
Madhya Pradesh	3,755.46	709.76	2,002.09	12.91	4,943.12	874.61	5,681.80	19.87
Maharashtra	4,596.88	682.55	2,316.81	29.07	4,202.62	501.28	3,251.96	53.12
Manipur	3.59	0.74	1.96	0.08	1.94	0.75	0.50	0.02
Meghalaya	0.04	0.01	0.03	0.0005	1.42	1.01	0.02	0.0001
Odisha	539.05	142.63	431.34	1.68	854.70	151.22	1,772.40	7.55
Puducherry	2.88	0.22	7.57	0.04	*	*	*	*
Rajasthan	2,545.36	367.33	1,899.35	28.42	2,571.82	475.31	1,754.21	24.38
Sikkim	0.01	0.01	0.11	0.002	0.06	0.06	-	0
Tamil Nadu	1,232.08	112.54	3,476.05	11.97	1,443.56	135.65	1,231.05	4.23
Telangana	291.90	113.52	178.75	2.23	644.10	177.08	528.34	3.55
Tripura	0.39	0.29	0.71	0.04	0.74	0.59	0.96	0.03
Uttar Pradesh	1,183.86	514.98	561.01	11.52	1,387.57	384.39	370.85	5.77
Uttarakhand	41.58	19.55	27.47	0.61	67.84	18.81	37.88	0.66
West Bengal	726.76	230.10	421.49	5.39	701.39	259.66	248.22	4.45

*State/UT did not implement the scheme.

Annexure referred to in reply to Lok Sabha Unstarred Q. No. 1385 due for 12.02.2019**Salient Features of PMFBY**

- i) Provides comprehensive insurance coverage against crop loss on account of non-preventable natural risks, thus helping in stabilising the income of the farmers and encourage them for adoption of innovative practices.
- ii) Increased risk coverage of Crop cycle – pre-sowing to post-harvest losses.
- iii) Area approach for settlement of claims for widespread damage. Notified Insurance unit has been reduced to Village/Village Panchayat for major crops
- iv) Uniform maximum premium of only 2%, 1.5% and 5% to be paid by farmers for all Kharif crops, Rabi Crops and Commercial/ horticultural crops respectively.
- v) The difference between premium and the rate of Insurance charges payable by farmers is provided as subsidy and shared equally by the Centre and State.
- vi) Uniform seasonality discipline & Sum Insured for both loanee & non-loanee farmers
- vii) Removal of the provision of capping on premium which led to reduction in sum insured to facilitate farmers to get claim against full sum insured without any reduction.
- viii) Individual farm level assessment and settlement of claims for localized calamities of hailstorm, landslide, Inundation, Cloud Burst and Natural Fire.
- ix) Provision of individual farm level assessment for Post harvest losses against the cyclonic & unseasonal rains and hailstorm for the crops kept in the field for drying upto a period of 14 days, throughout the country.
- x) Provision of claims upto 25% of sum insured for prevented sowing.
- xi) “On-Account payment” upto 25% of sum insured for mid season adversity, if the crop damage is reported more than 50% in the insurance unit. Remaining claims based on Crop Cutting Experiments (CCEs) data.
- xii) Use of Remote Sensing Technology, Smartphones & Drones for quick estimation of crop losses to ensure early settlement of claims.
- xiii) Crop Insurance Portal has been developed for ensuring better administration, co-ordination, transparency, dissemination of information and delivery of services including crediting the claim amount electronically to the individual farmer’s Bank Account
- xiv) Focused attention on increasing awareness about the schemes among all stakeholders and appropriate provisioning of resources for the same.

To facilitate timely settlements of claims Revised Operational Guidelines from Rabi 2018-19 inter alia provides for :

- i) Detailed activity-wise seasonality discipline including real time transmission of Crop Cutting Experiments/yield data through smartphone, reconciliation and approval of yield data and auto calculation of claims on National Crop Insurance Portal (NCIP).
- ii) Compulsory uploading of details of individual insured farmers including bank details on NCIP by farmers, banks, Common Service Centers(CSC) and insurance company and their inter-mediaries, and reconciliation and approval of this data.
- iii) Provision of 12% interest rate per annum to be paid by the Insurance Company to farmers for delay in settlement claims beyond 10 days of prescribed cut off date for payment of claims.
- iv) State Government has to pay 12% interest rate for delay in release in State share of Subsidy beyond three months of prescribed cut off date/submission of requisition by Insurance Companies.
- v) Payments of claim directly to the bank account of beneficiary farmers including Aadhar based UPI payments.
