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

LOK SABHA UNSTARRED QUESTION NO.2008

TO BE ANSWERED ON THE 14TH MARCH, 2017

CROP INSURANCE

2008. SHRI KONDA VISHWESHWAR REDDY: SHRI YOGI ADITYA NATH: SHRI GUTHA SUKENDER REDDY: SHRI RAVNEET SINGH: SHRI RAMDAS C. TADAS:

Will the Minister of AGRICULTURE AND FARMERS WELFARE ‡ãðŠãäÓã एवं किसान कल्याण ½ãâ¨ããè be pleased to state:

(a) whether it is true that the Government has introduced new Crop Insurance Scheme stressing the need of advantage to the farmers, if so, the details thereof along with the salient features of the scheme;

(b) the details of the States where Pradhan Mantri Fasal Bima Yojana (PMFBY) has been implemented so far;

(c) the details of the precautions taken by the Government to make the scheme Suraksha Kavach more advantageous to the farmers from getting out of burden of premiums and crop losses;

(d) the details of beneficiaries covered under the Pradhan Mantri Fasal Bima Yojana till October, 2016, State-wise;

(e) the details of claims filed under PMFBY and the amount disbursed against the claims till October, 2016, State-wise;

(f) the details of average premium charged by private insurance companies and agricultural Insurance Company of India; and

(g) whether it is also a fact that abnormal delays are taking place in settlement of claims of farmers, if so, the remedial measures taken by the Government for early settlement of claims and avoid losses to the farmers?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

‡ãðŠãäÓã एवं किसान कल्याण ½ãâ¨ããÊã¾ã ½ãñâ À㕾ã ½ãâ¨ããè (SHRI PARSHOTTAM RUPALA)

Yes, Madam. After review of erstwhile Crop Insurance Schemes, (a) to (e): Government has launched Pradhan Mantri Fasal Bima Yojana (PMFBY) and Restructured Weather Based Crop Insurance Scheme (RWBCIS) from Kharif 2016 season. To make the scheme more advantageous for farmers, many innovative solutions have been incorporated in the new schemes. The PMFBY provides comprehensive crop insurance from pre-sowing to post harvest losses against nonpreventable natural risks at extremely low maximum premium rate of 2% for Kharif Rabi Crop and 5% payable by farmers for annual crops. 1.5% for commercial/horticultural crops, which premium rates are also applicable under RWBCIS. The balance of actuarial/bidded premium is shared by the Central and State Government on 50 : 50 basis. Further, not only has cap on premium which had earlier led to reduction in sum insured been removed under both schemes, but sum insured has been made equal to the Scale of Finance thereby providing maximum risk coverage to the farmers. In an effort to provide more realistic assessment of losses, the unit area of insurance has been reduced from Tehsil/district level to village/village panchayat level for major crops and to individual farm level for localised risks of hailstorm, landslide and inundation. While settlement of claims is done on the basis of yield loss assessment at the end of season, some measure of immediate relief is also provided to insured farmers in case of adverse seasonal conditions during the crop season due to which expected yield during the season is likely to be less than 50% of the Threshold Yield in the concerned insurance unit.

Details of States which have implemented PMFBY during Kharif 2016 and number of farmers covered under the scheme are at Annexure-I.

In respect of Kharif 2016 the cut off date for submission of yield data was one month from the date of harvest of Kharif crops. Therefore, yield based final assessment of claims was only undertaken after that. Details of some claims due to prevented sowing, mid-season adversity and localised calamities which were reported by October, 2016 in a few States and which were settled after completion of due process in the following months are at Annexure-II.

(f): As per provision of PMFBY/RWBCIS actuarial premium rate charged by the companies is determined through the bidding process and varies depending upon the risk associated with crop and area/ cluster. As per available information for Kharif 2016 the average premium rate on the basis of business was 12.29% and 12.65% by Agriculture Insurance Company of India Ltd. (AIC) and other companies including both private and General Insurers'(Public Sector) Association (GIPSA) companies respectively.

There are some instances of delay in settlement of claims of farmers, which (g): pertain to erstwhile schemes and which may interalia be attributed to reasons such as delay in submission of yield data or release of funds by States/Union Territories etc. To address such issues under the new schemes several measures have been incorporated namely, timelines have been stipulated for completion of every activity, be it submission of proposals by banks to insurance companies, assessment of yield by State Government agencies, processing and settlement of claims by insurance companies, the last to be done within three weeks of receipt of yield data from State. To expedite the yield data submission, the Department has deployed CCE Agri App and made it mandatory for States to transmit data through CCE Agri App/smartphones. Further. new remote sensing technology is also being experimented to achieve more accurate yield loss assessment for purposes of accurate claim settlement. Most importantly, the National Crop Insurance Portal has been launched to facilitate online flow of information and service delivery among stakeholders. Accordingly, under the new scheme claims for Kharif 2016 are being settled as per the stipulated time frame upon receipt of yield data and share in premium subsidy from States.

ANNNEXURE-I State-wise coverage of farmers under PMFBY during Kharif 2016 **NO. OF FARMERS** COVERED S.No. STATE ANDHRA PRADESH BIHAR CHHATTISGARH GOA **GUJARAT** HARYANA HIMACHAL RADESH JHARKHAND **KARNATAKA** MADHYA PRADESH MAHARASHTRA MANIPUR **MEGHALAYA** ORISSA RAJASTHAN TAMILNADU TELANGANA TRIPURA UTTAR PRADESH UTTARAKHAND WEST BENGAL

State-wise details of claims filed during Kharif 2016 under PMFBY till October. 2016

(Rs. in lakhs)

Sr. No.	States	Prevented Sowing	Mid-season adversity	Localised calamities
1	Chhattisgarh	-	1099.58	8.00
2	Karnataka	-	18.16	-
3	Maharashtra	-	117.56	575.21
4	Madhya Pradesh	-	941.27	660.22
5	Uttar Pradesh	-	3075.75	55.27
6	Gujarat	1.21	-	-
7	Andhra Pradesh	-	-	86.02
8	Bihar	-	-	0.33
9	Haryana	-	-	493.39
10	Himachal Pradesh	-	-	0.03
11	Manipur	-	-	0.13
12	Rajasthan	-	-	6.05
13	Tamil Nadu	-	-	0.60
14	Telangana	-	-	0.16
