

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

LOK SABHA
UNSTARRED QUESTION NO.1736
TO BE ANSWERED ON THE 6TH March, 2018

MODIFIED CROP INSURANCE SCHEME

1736. SHRIMATI BHAVANA PUNDALIKRAO GAWALI PATIL:

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

- (a) whether the Government proposes to modify the crop insurance scheme for making the scheme more profitable for the farmers;
- (b) if so, the details thereof;
- (c) the details of the precautions taken by the Government to make the said scheme more effective to protect the farmers from the burden of premium and losses to be incurred due to crop damages;
- (d) whether inordinate delay is taking place in the disposal of claims of the farmers; and
- (e) if so, the details of the steps taken by the Government for speedy disposal of the claims under the scheme?

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 (c): Keeping in view the welfare of farmers and to protect them against consequences of crop failure Government of India reviewed the erstwhile crop insurance schemes and launched the new improved schemes of Pradhan Mantri Fasal Bima Yojana (PMFBY) and Restructured Weather Based Crop Insurance Scheme (RWBCIS) from April, 2016.

PMFBY provides for comprehensive risk insurance from pre-sowing to post-harvest losses and covers yield loss due to non-preventable natural risks viz. natural fire and lightning; storm, hailstorm, cyclone, typhoon, tempest, hurricane, tornado etc.; flood, inundation and landslide; drought, dry spells; pests/ diseases etc. On the other hand, RWBCIS provides insurance protection/claims to the farmers against adverse weather/climatic incidence, such as deficit and excess rainfall, high or low temperature, humidity etc. which are deemed to impact adversely the crop production. To make the scheme simple and affordable, one premium rate of maximum of 1.5% for Rabi, 2% for Kharif food and oilseed crops and 5% for annual commercial/horticultural crops is being charged from the farmers, the balance of actuarial/ bidded premium is shared by the Centre and State on equal basis.

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(d) & (e) : Under erstwhile schemes, delay in claim processing and settlement was primarily on account of delay due to manual process of collection of yield data from field and its communication/transmission to insurance companies for computation of yield loss. This delay in disposal of claims of the farmers has however, largely been arrested under Pradhan Mantri Fasal Bima Yojana (PMFBY). Under the new scheme specific timelines have been stipulated for various activities including processing and settlement of claims; real-time collection and transmission of yield data through Smart-phone/CCE Agri App has been made mandatory from Kharif 2017 season; details of individual farmers captured on National Crop Insurance Portal enable verification, computation of claims and also direct transfer of claim amounts into beneficiary accounts etc. Due to all such measures time taken to settle claims has generally been reduced to an average of within two months after receipt of yield data. However, this does not include claims that are outstanding due to exceptional reasons such as delay in receipt of State share of subsidy, discrepancy in yield data, unavailability of farmer account details etc.
