

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

LOK SABHA
UNSTARRED QUESTION NO.3430
TO BE ANSWERED ON THE 1ST JANUARY, 2019

RESTRUCTURED WBCIS

3430. SHRI S. RAJENDRAN:
SHRI MANSUKHBHAI DHANJIBHAI VASAVA:
SHRIMATI RAMA DEVI:
SHRI S.R. VIJAYAKUMAR:

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

- (a) whether many instances have come to the notice of the Government where compensation amount under the crop insurance scheme has not been paid to farmers;
- (b) if so, the details thereof and the reasons for the same along with the corrective measures taken/being taken by the Government in this regard;
- (c) whether the Government has also launched Restructured Weather Based Crop Insurance Schemes(RWBCIS);
- (d) if so, the details thereof and the manner in which the above scheme is different from the Pradhan Mantri Fasal Bima Yojana;
- (e) whether the number of farmers benefited and insured under Restructured Weather Based Crop Insurance Scheme in the country is constantly declining and if so, the reaction of the Government thereto;
- (f) the various trends being indicated by the decline in the said number and the corrective steps taken by the Government in this regard; and
- (g) the outcome of the said corrective steps taken?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

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

(a) & (b): The detailed activity-wise seasonality discipline, including timelines for settlement of claims by insurance companies within two months of crop harvest, subject to timely release of subsidy and yield data to the insurance companies, has been prescribed in Operational Guidelines of Pradhan Mantri Fasal Bima Yojana (PMFBY) to ensure timely payment of claims to insured farmers. Most of the claims of year 2016-17 and Kharif 2017 were settled within the prescribed timelines, accordingly.

Contd...2/-

Admissible claims are generally paid by the insurance companies within two months of completion of Crop Cutting Experiments/harvesting period subject to availability of yield data and total State share of premium subsidy from concerned State Government within time. However, payment of claims in some State/areas get delayed due to reasons like delayed transmission to yield data, dispute raised by Insurance Companies on yield data, reconciliation of individual farmer data on portal by bank branches, late release of their share in premium subsidy by some States and NEFT related issues, etc.

With a view to ensure better transparency, accountability and timely payment of claims to the farmers, Government has comprehensively revised the Operational Guidelines of the scheme which have become effective from 01.10.2018. The Revised Operational Guidelines, inter-alia, envisage activities-wise seasonality discipline including timeliness for release of subsidy by Government to insurance companies and settlement of claims eligible farmers by concerned insurance companies. The following provisions, have also been made in the revised Operational Guidelines:

- (i) 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.
- (ii) State Government have to pay 12% interest rate for delay in release of State share of Subsidy beyond three months of prescribed cut off date/submission of requisition by Insurance Companies.

(c) to (g): Yes Madam. Restructured Weather Based Crop Insurance Schemes (RWBCIS) has been specifically formulated to cover those annual/perennial commercial/ horticultural crops where methodology for calculation of yield data/past yield data based on CCEs, as required under PMFBY, is not available. Further, the availability of past weather data and requisite infrastructure viz. Automatic Weather Stations (AWSs) and Automatic Rain Gauge Stations (ARGs) needs to be ensured/notified by the State Government.

The RWBCIS provides insurance protection to farmers against adverse weather incidence, such as deficit and excess rainfall, high or low temperature, humidity etc. the factors which are deemed to impact adversely the crop production. Thus, it is a named peril insurance scheme and claims are calculated on the basis of difference in (below or above) observed trigger value. The State Government in consultation with experts and insurance companies decide trigger points/values for loss calculation and finalise area-wise Term-sheets for each crop. The assessment/reference unit area under the scheme is related to availability of Automatic Weather Stations (AWSs)/Automatic Rain-Gauge Stations (ARGs), which are mostly available at circle, block levels. Unlike RWBCIS, Pradhan Mantri Fasal Bima Yojana (PMFBY) is a yield index linked /comprehensive risk insurance scheme covering pre-sowing to post harvest losses wherein insurance unit is village/village panchayat for major crops and claim calculation is based on yield/loss assessment through Crop Cutting Experiments (CCEs). However, with respect to all other parameters namely, premium rates for farmers, selection of insurance company through transparent bidding process, sum insured equal to Scale of Finance etc. the two schemes are at par.

It is the prerogative of the State Government to select the scheme or implement both the Schemes in the State/UT. States/UTs are notifying more crops and areas under all perils inclusive and improved PMFBY.

A wide network of AWSs and ARGs are required for implementation of RWBCIS. To promote the scheme, a provision has been made by the Government of India to provide 50% share of set up of AWSs and ARGs in public private participation mode.
