

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

LOK SABHA
UNSTARRED QUESTION NO.1717
TO BE ANSWERED ON THE 2ND JULY, 2019

ROLE OF STATE GOVERNMENTS IN PMFBY

1717. KUMARI SHOBHA KARANDLAJE:

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

- (a) whether the State Governments have a major role in implementation of the Pradhan Mantri Fasal Bima Yojana (PMFBY) ;
- (b) if so, the role of the State Government of Karnataka in finalising insurance companies through bidding process, deciding clustering of districts, furnishing past yield data, furnishing yield data to insurance companies for calculation of claims, releasing their share of premium subsidy etc.;
- (c) the details of the premium received by insurance companies and claims paid to the farmers since inception of the scheme in Karnataka, Kharif and Rabi crop-wise;
- (d) whether the payment of claims in some States/areas get delayed due to various reasons and if so, the corrective measures taken in this regard; and
- (e) the planning of the Government to comprehensively revise the Operational Guidelines of the PMFBY, since States are the implementing agencies ?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) & (b): Yes Sir. State/Union Territories which have opted for implementation of the scheme in their States have a major role in implementation of the Pradhan Mantri Fasal Bima Yojana (PMFBY). As per the scheme provisions, the State Governments decide crops and areas for implementation of the scheme, select insurance companies through bidding process, decide clustering of districts, furnish past yield data for calculation of Threshold Yield and premium rates, conduct Crop Cutting Experiments (CCEs), furnish yield data to insurance companies for calculation of claims, release their share of premium subsidy, establish Grievance Redressal Committees, monitoring of the scheme etc. and conduct Joint Survey with the representatives of the concerned insurance companies for determination of claims under Add-on products, such as, crop loss for prevented sowing, mid-season adversity, localized calamities and post-harvest losses.

Karnataka Government is also running its own portal 'Samrakhsne' for implementation of the scheme including enrolment of farmers and calculation/initiation of claims for payment to the farmers by the concerned insurance company etc.

(c): Kharif and Rabi season-wise details of gross premium (including farmers share and Government subsidy in premium) paid to insurance companies and claims paid to farmers in Karnataka is given below:

(Rs. In crore)

Season	Gross Premium	Estimated Claims	Approved Claims	Paid Claims
Kharif 2016	873.57	1171.19	1171.19	1170.94
Rabi 2016-17	669.48	644.01	553.77	553.75
Kharif 2017	1812.40	817.30	811.19	811.19
Rabi 2017-18	52.18	39.34	39.34	39.34
Kharif 2018	1408.57	748.61	98.20*	28.96*
Rabi 2018-19	496.64	145.22	0.71*	0.71*

*Most of the claims for Kharif 2018 and Rabi 2018-19 seasons have not been initiated by the Karnataka State Government on their portal.

(d) & (e): As per provisions of Pradhan Mantri Fasal Bima Yojana (PMFBY) 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, settlement of claims in some States get delayed due to reasons like delayed transmission of yield data; late release of their share in premium subsidy by some States, yield related disputes between insurance companies and States, non-receipt of account details of some farmers for transfer of claims and NEFT related issues, etc. However, this Department is regularly monitoring the implementation of PMFBY including timely settlement of claims.

With a view to ensure better transparency, accountability, timely payment of claims to the farmers and to make the scheme more farmer friendly, Government has comprehensively revised the Operational Guidelines of the Pradhan Mantri Fasal Bima Yojana (PMFBY) which have become effective from Rabi 2018-19. To ensure optimal coverage under the scheme, the following provisions, which will facilitate higher enrolment and early settlement of claims, making the scheme even more farmer friendly, have, inter-alia, 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.
- (iii) Increased time for change of crop name for insurance – upto 2 working days prior to cut-off date for enrolment instead of earlier provision of 1 month before cut off date.
- (iv) Rationalization of methodology for calculation of Threshold Yield (TY) to calculate claims – Moving average of best 5 out of 7 years to be taken for calculation.
- (v) Increase in risk coverage by inclusion of risks of cloud burst and natural fire under localized calamities and hailstorm under post-harvest losses.
- (vi) Time for intimation of loss due to localized calamities and post-harvest losses has been increased from 48 hours to 72 hours.
- (vii) Stratified grievance redressal mechanism viz. District Level Grievance Redressal Committee (DGRC), State Level Grievance Redressal Committee (SGRC).
- (viii) Detailed plan for publicity and awareness – 0.5% of Gross premium per company per season earmarked for the purpose.
- (ix) Detailed Standard Operating Procedures (SOPs) for settlement of claims under localized calamities, post harvest losses, mid-season adversity and prevented sowing and redressal of disputes regarding yield date including add on features.
- (x) Inclusion of perennial crops and add on coverage for damage by wild animals on pilot basis.
