

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE AND FARMERS WELFARE
LOK SABHA
STARRED QUESTION NO. 194
TO BE ANSWERED ON THE 20TH DECEMBER, 2022

PRADHAN MANTRI FASAL BIMA YOJANA

*194. SHRI RAVINDRA KUSHWAHA:
SHRI SANJAY SADASHIVRAO MANDLIK:

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

- (a) whether Pradhan Mantri Fasal Bima Yojana (PMFBY) is tipped to become number one crop insurance scheme in the world in coming years and if so, the details thereof;
- (b) the details of total number of applications received under the said yojana during each of the last three years and the current year;
- (c) the percentage increase in the share of nonloanee farmers, marginalized farmers and small farmers since the inception of the yojana;
- (d) the details of total amount of premium paid to the farmers against their claims till date and the percentage share of Centre and State Governments in the above-said bearing;
- (e) whether farmers in some States have been paid a paltry sum of insurance claims for their crops and if so, the steps taken to provide a minimum amount for claims to be paid against any unique farmer ID; and
- (f) whether the Government proposes to provide comprehensive insurance coverage against crop loss on account of non-preventable natural risks under PMFBY and if so, the details thereof?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) to (f): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO PART (a) TO (f) OF LOK SABHA STARRED QUESTION NO. 194 REGARDING PRADHAN MANTRI FASAL BIMA YOJANA FOR REPLY ON 20.12.2022.

(a) to (f): The Pradhan Mantri Fasal Bima Yojana (PMFBY) introduced in the country from 2016, provides for comprehensive risk insurance against crop damage due to non-preventable natural risks from pre-sowing to post-harvest for the crops/areas notified by the concerned State Government. The scheme has already become the number one crop insurance scheme in the world in terms of farmer applications enrolled. In terms of gross premium, scheme is the 3rd largest in the world.

As per provisions of the scheme, actuarial/bidded premium rate is charged by the insurance companies. But the farmer has to pay only a maximum premium of 1.5% and 2% for Rabi and Kharif food and oilseed crops respectively and 5% for commercial/horticultural crops. Remaining part of the actuarial/bidded premium is shared on 50 : 50 basis by the Central and concerned State Government except in North Eastern States where it is shared in the ratio of 90 : 10.

Coverage of non-loanee farmers under PMFBY has increased from 5.7% in 2015-16 under erstwhile crop insurance scheme to 36.1% during 2020-21. However, as per data available on National Crop Insurance Portal (NCIP), 16.54% Small farmer and 67.64% Marginal farmer applications have been enrolled during Kharif 2020 season under PMFBY. Similarly, this percentage is 17.38% and 64.54% during Rabi 2020-21 season. Overall coverage of small & marginal farmers under the scheme is about 85% which corresponds approximately to their ratio in population.

Year-wise details of total number of farmer application enrolled, premium paid by the farmers, and claims paid for the last three years i.e. 2018-19 to 2020-21 and current year 2021-22 are given below :

Season/Year	Farmer Applications Enrolled (in lakhs)	Premium paid by Farmer Premium	Claims Paid
		(Rs. in crore)	
2018-19	582.04	4695.65	28647.88
2019-20	614.37	4458.20	27068.43
2020-21	623.23	4045.15	20425.01
2021-22 (Provisional)	832.24	3770.26	13728.63

The PMFBY is mainly implemented on 'Area Approach' basis. Admissible claims are worked out and paid directly to the insured farmer's account by the insurance companies based on the season-end yield data, furnished to the concerned insurance company by the concerned State Government and claim calculation formula envisaged in the Operational Guidelines of the scheme.

However, losses due to localized risks of hailstorm, landslide, inundation, cloud burst & natural fire and post-harvest losses due to cyclone, cyclonic/unseasonal rains & hailstorms are calculated on individual insured farm basis. These claims are assessed by a joint committee comprising representatives of State Government and concerned insurance company.

As per provisions of the scheme, after getting the individual farm level claims, farmers are also eligible to get claims under season-end claims, if season end claims are more than the claims already paid under individual farm level claims. However, for the benefit of farmers, refund of claims is not required from the farmers, if the season-end claims are less than the individual farm level claims already paid to farmers.

Reports of famers getting paltry sum of insurance claims in some district of Maharashtra are factually wrong as most of them are claims against one of the application or part of the area. Further, only part claims for localized calamities have been disbursed and they are still eligible for more claims based on the season-end yield data submitted by the State Government.
