

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

LOK SABHA
UNSTARRED QUESTION NO. 2111
TO BE ANSWERED ON THE 14TH MARCH, 2023

STATES OPTING OUT FROM PMFBY

2111. SHRI ARVIND GANPAT SAWANT:
SHRI SANJAY JADHAV:
DR. CHANDRA SEN JADON:

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

- (a) whether many States are opting out of the Prime Minister Fasal Bima Yojana (PMFBY);
- (b) whether the delay in settling farmers' claims is one of the reasons for opting out;
- (c) if so, the details of action taken by the Government to address this issue and the other related issues due to which the States are opting out of the scheme/yojana;
- (d) whether the coverage under PMFBY has been steadily declining to low level during the last three years;
- (e) if so, the details of its coverage during last year; and
- (f) the action plan of the Government to address these issues related to this scheme?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) to (c) : The Pradhan Mantri Fasal Bima Yojana (PMFBY) was introduced in the country from Kharif 2016 season. Since inception of the scheme in Kharif 2016, 27 States/Union Territories implemented the PMFBY in one or more seasons.

Some States/UTs like Bihar, Telangana, Andhra Pradesh Jharkhand, West Bengal and Gujarat have opted out of the scheme after implementing it for some seasons due to their own reasons like perception about risk and financial constraints. Due to the efforts of Ministry of Agriculture & Farmers Welfare, Andhra Pradesh has re-joined the scheme from Kharif 2022 season and Punjab has made a budget

announcement to do so. The PMFBY is available for all States/UTs and is voluntary for them. States/UTs are free to subscribe under the scheme keeping in view their risk perception and financial considerations etc. The scheme is also voluntary for the farmers to enroll themselves as per their risk perception.

Though timelines for each activity including settlement of claims are provided in the Operational Guidelines of PMFBY, settlement of few claims in some States got slightly delayed due to reasons like delayed transmission of yield data and late release of State share in premium subsidy by the States, yield related disputes between insurance companies and States, non-receipt of account details of some farmers for transfer of claims to the bank account of eligible farmers and National Electronic Fund Transfer (NEFT) related issues, erroneous/incomplete entry of individual farmers data on National Crop Insurance Portal (NCIP), delay in remittance of farmers share of premium/non-remittance of farmers share of premium to concerned insurance company etc.

This Department is regularly monitoring the implementation of PMFBY including timely settlement of claims through weekly video conference of stakeholders, one to one meetings with insurance companies/States etc. Various innovative technologies are also adopted to increase the timeliness for flow of requisite information/data amongst stakeholders.

(d) to (f) : Since inception of the Pradhan Mantri Fasal Bima Yojana (PMFBY) in 2016-17, coverage under the scheme has been around 30% of Gross Cropped Area (GCA) in the States/UTs who are implementing the scheme. Year-wise details of coverage in terms of farmer applications enrolled and area insured during last three years under PMFBY is given below :

Year	Farmer Applications (In Lakhs)	Area Insured (in lakh ha.)
2019-2020	616.16	508.4
2020-2021	623.19	495.4
2021-2022	831.76	459.0

Compulsory use of Aadhar number for coverage and technology interventions such as API based land record integration have weeded out the instances of over-insurance in terms of area even when enrollment under the scheme has grown.

The Government has taken several steps to create substantial awareness about the scheme amongst beneficiaries so that they can enroll themselves voluntarily under

the scheme. The Government has made provisions to ensure availability of adequate funds for awareness of PMFBY. The revised Operational Guidelines for PMFBY which came into effect from 1st October 2018 have inter-alia provided that the insurance companies should compulsorily spend atleast 0.5% of the total gross premium collected by them for Information, Education and Communication (IEC) activities.

The Government has actively supported the awareness activities being carried out by the States, implementing Insurance Companies, financial institutions, and Common Service Centres (CSCs) network to disseminate key features of PMFBY amongst farmers and members of Panchayati Raj Institutions (PRIs).

Further, a structured awareness campaign 'Crop Insurance Week/Fasal Bima Saptah' has been initiated by the Ministry of Agriculture and Farmers Welfare since Kharif 2021 season onwards. The core focus of the campaign is to increase the awareness about benefits of the scheme, sensitize the stakeholders and to increase overall enrolment of farmers, thereby helping them to reap the benefits of crop insurance with special focus on identified aspirational/tribal districts.

Along with this, Fasal Bima Pathshalas are also being organized at village/GP level for knowledge building of farmers on various aspects of scheme implementation.

Apart from this, other activities for awareness generation involve the publicity of key features and benefits of the scheme through advertisements in leading National and local newspapers, airing of audio-visual spots on regional / local channels, distribution of IEC material in local languages, dissemination of SMS through Kisan / National Crop Insurance Portal (NCIP) portal and organisation of online workshops of all stakeholders including farmers, Panchayat Members, and other key stakeholders.

Government had also organized a nationwide Doorstep Crop Insurance Policy/receipt Distribution mega drive – 'Meri Policy Mere Haath'. Hard copies of crop insurance policy receipts are distributed to farmers enrolled under PMFBY through special camps at gram Panchayat/village level. All implementing State/UT Governments along with respective insurance companies have been organizing Gram Panchayat level mega policy distribution drive.
