

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

**LOK SABHA**  
**UNSTARRED QUESTION NO. 620**  
TO BE ANSWERED ON THE 06<sup>TH</sup> FEBRUARY, 2024

**SALIENT FEATURES AND OBJECTIVES OF PMFBY**

620. SHRI NIHAL CHAND:

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

- (a) the salient features and objectives of the Pradhan Mantri Fasal Bima Yojana (PMFBY);
- (b) the number of farmers who have received the benefits under the said Scheme during the last two years till date State/UT-wise;
- (c) the details of amount of funds paid under the said Scheme in all the States of the country, State/ UT-wise including Rajasthan;
- (d) whether the Government has received complaints from various States of the country including Rajasthan regarding non-payment of insurance amount to farmers by insurance companies/ non-correction of errors in the application, wrong entry of name of revenue villages and other information on the portal; and
- (e) if so, the details thereof and the action taken in this regard?

**ANSWER**

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री

(SHRI ARJUN MUNDA)

(a): Pradhan Mantri Fasal Bima Yojana (PMFBY) aims at supporting sustainable income in crop production, especially in adverse climatic conditions by way of:

- Providing financial support to farmers suffering crop loss/damage arising out of unforeseen events.
- Stabilizing the income of farmers to ensure their continuance in farming.

- Encouraging farmers to adopt innovative and modern agricultural practices.
- Ensuring credit worthiness of the farmers, crop diversification and enhancing growth and competitiveness of agriculture sector besides protecting the farmers from production risks.

Salient features of the scheme are in **Annexure-I**.

(b) & (c): State-wise details of number of farmer applications enrolled and claims paid during the last two years i.e. 2021-22 and 2022-23 are given in **Annexure-II**.

(d) & (e): All the major work like selection of Insurance Companies through transparent bidding process, assessment of crop yield/crop loss for calculation of admissible claims are being performed by the concerned State Government or Joint Committee of State Government officials and concerned insurance company. The roles and responsibilities of each stakeholder are defined in the Operational Guidelines of the scheme for the proper execution of the scheme. However, during the implementation of PMFBY, some complaints against insurance companies about non-payment and/or delayed payment of claims; under payment of claims on account of incorrect/delayed submission of insurance proposals by banks; discrepancy in yield data & consequent disputes between State Government and insurance companies, delay in providing State Government share of funds, non-deployment of sufficient personnel by insurance companies etc., have been received in the past which have been suitably addressed as per provisions of the scheme.

Further, to better resolve all the grievances/complaints under the scheme, a Unified Krishi Rakshak Helpline has been developed recently to serve as the centralized grievance redressal platform.

**Salient Features of PMFBY**

- i) Provides comprehensive insurance coverage against crop loss on account of non-preventable natural risks, thus helping in stabilizing the income of the farmers and encouraging them for adoption of innovative practices.
- ii) Increased risk coverage of Crop cycle – pre-sowing to post-harvest losses.
- iii) Area approach for settlement of claims for widespread damage. Notified Insurance unit has been reduced to Village/Village Panchayat for major crops.
- iv) Actuarial/bidder premium but uniform maximum premium of only 2%, 1.5% and 5% to be paid by farmers for all Kharif crops, Rabi Crops and Commercial/ horticultural crops respectively. Premium over and above these limits is shared by the Central and State Governments on 50: 50 basis except in North Eastern Region and Himalayan States where it is 90: 10.
- v) The difference between premium and the rate of Insurance charges payable by farmers is provided as subsidy and shared by the Centre and State, as the ratio mentioned above.
- vi) Uniform seasonality discipline & Sum Insured for both loanee & non-loanee farmers.
- vii) Removal of the provision of capping on premium which led to reduction in sum insured to facilitate farmers to get claim against full sum insured without any reduction.
- viii) Individual farm level assessment and settlement of claims for localized calamities of hailstorm, landslide, Inundation, Cloud Burst and Natural Fire and post-harvest losses due to cyclone, cyclonic/unseasonal rains and hailstorm for the crops kept in the field for drying upto a period of 14 days, throughout the country.
- ix) Provision of claims upto 25% of sum insured for prevented sowing.
- x) “On-Account payment” upto 25% of sum insured for mid-season adversity if the crop damage is reported more than 50% in the insurance unit. Remaining claims based on Crop Cutting Experiments (CCEs) data.
- xi) Introduction of three alternative risk models viz. Profit and Loss Sharing, Cup and Cap (60-130), Cup and Cap (80-110) for States, under which if no claim is made then a portion of the premium paid by the state will go into the state treasury itself;
- xii) Use of Remote Sensing Technology, Smartphones & Drones for quick estimation of crop losses to ensure early settlement of claims. Infusion of improved technology i.e. introduction of National Crop Insurance Portal (NCIP), Yield Estimation System based on Technology (YES-TECH), Weather Information Network and Data System (WINDS), Collection of Real time Observations and Photographs of Crops (CROPIC) etc.
- xiii) Crop Insurance Portal has been developed for ensuring better administration, co-ordination, transparency, dissemination of information and delivery of services including crediting the claim amount electronically to the individual farmer’s Bank Account.
- xiv) Focused attention on increasing awareness about the schemes among all stakeholders and appropriate provisioning of resources for the same.
- xv) Making the scheme voluntary for all farmers instead of compulsory for loanee farmers.

**Annexure-II**

**State-wise details of Farmer Applications insured and claims paid during 2021-22  
and 2022-23 (As on 31.12.2023)**

State/UT Name	Farmers Applications Insured (In Lakh)		Paid Claims (In Crore)	
	2021-22	2022-23	2021-22	2022-23
A & N Islands	0.01	0.00	0.00	0.00
Andhra Pradesh	0.00	178.84	0.00	558.22
Assam	9.96	5.00	229.05	6.36
Chhattisgarh	58.39	77.29	1429.79	509.92
Goa	0.00	0.00	0.00	0.00
Haryana	14.53	14.46	1698.23	2009.57
Himachal Pradesh	2.34	2.67	39.89	14.37
Jammu & Kashmir	0.91	0.92	56.05	3.50
Karnataka	19.34	26.45	1490.83	1468.24
Kerala	0.99	1.47	95.18	89.90
Madhya Pradesh	92.67	177.32	2907.22	968.84
Maharashtra	99.03	107.47	4389.29	3500.23
Manipur	0.03	0.04	1.48	1.46
Meghalaya	0.00	0.00	0.00	0.00
Odisha	81.74	80.06	1041.22	499.70
Puducherry	0.36	0.31	0.00	0.00
Rajasthan	344.64	392.10	5130.27	3558.85
Sikkim	0.02	0.05	0.53	0.00
Tamil Nadu	59.11	61.60	817.79	731.35
Tripura	3.36	3.21	2.63	0.00
Uttar Pradesh	40.68	42.57	956.11	866.00
Uttarakhand	1.83	2.82	109.91	182.24
<b>GRAND TOTAL</b>	<b>829.90</b>	<b>1174.65</b>	<b>20395.49</b>	<b>14968.76</b>

0.00 : Low coverage as figures are in lakhs or Not Implemented.

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