

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE, COOPERATION AND FARMERS WELFARE
LOK SABHA
UNSTARRED QUESTION NO. 2399
TO BE ANSWERED ON THE 3RD AUGUST, 2021

METHODOLOGY FOR CROP INSURANCE

2399. SHRI JAYADEV GALLA:

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

- (a) details of the methodology fixed by the Ministry for insurance companies to fix unit of loss at Gram Sabha level for the majority of crops;
- (b) whether the Ministry intends to remedy present rules for insurance companies;
- (c) if so, the details thereof and if not, the reasons therefor;
- (d) whether the Ministry is planning to change the threshold limit which is ascribed for the maximum claim in the event of crop loss;
- (e) whether the Government can list parameters that are adopted for deciding insurance claims by insurance companies for any particular region;
- (f) the number of applicants benefited from Pradhan Mantri Fasal Bima Yojana in Andhra Pradesh during the last three years, district-wise, and year-wise; and
- (g) the details of the beneficiaries who applied for insurance claim and the time within which the amount was disbursed settled?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) to (g) : As per provisions of Pradhan Mantri Fasal Bima Yojana (PMFBY), the final/season end claims are calculated and paid on the basis of percentage shortfall in yield - if 'Actual Yield' per hectare of insured crop for the insurance unit (calculated on the basis of yield data from requisite number of Crop Cutting Experiments-CCEs) in insured season, falls short of 'Threshold Yield', all insured farmers growing that crop in the defined area are deemed to have suffered shortfall of similar magnitude in yield and claims per hectare are worked out as per following formula :

Threshold Yield (TY) – Actual Yield (AY)

----- X Sum Insured

Threshold Yield (TY)

(Threshold Yield (TY) is calculated by taking moving average of best 5 years out of 7 years)

Further, immediate relief is also provided to insured farmers in case of adverse seasonal conditions (mid-season adversity) during the crop season, if the expected yield during the season is likely to be less than 50% of the Threshold Yield in the concerned insurance unit. Amount payable is 25% of the likely claims subject to adjustment against final claims based on yield assessment data arrived through CCEs.

However, losses due to localized risks of hailstorm, landslide, inundation, cloud burst & natural fire and post-harvest losses due to cyclone, cyclonic/unseasonal rains and hailstorm for a specified period of 14 days after harvest are calculated on individual insured farm basis on inspection by a Committee constituted by the concerned State Government comprising State officials and officials from insurance companies and loss assessors. Also, there is a provision to pay claims towards prevented sowing/failed germination and adhoc claims in case of mid season adversity.

Revisions/improvements in the crop insurance schemes is a continuous process. Based on the experience gained, views of various stakeholders and 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 and revamped the Operational Guidelines of the Pradhan Mantri Fasal Bima Yojana (PMFBY) with effect from Rabi 2018 and Kharif 2020 respectively to ensure the targeted delivery of benefits of the scheme to the farmers adequately and timely.

Rationalization of methodology for calculation of Threshold Yield (TY) to calculate Threshold Yield by taking moving average of best 5 out of 7 years instead removing two calamities hit years out of 7 years yield earlier had been made in Revised Operational Guidelines w.e.f. from Rabi 2018-19.

District-wise details of number of farmer applications enrolled, hence eligible for benefit of premium subsidy in Andhra Pradesh during last three years i.e. 2018-19 to 2020-21 are given in **Annexure**.

Annexure

Number of farmer applicants benefited with premium subsidy from Pradhan Mantri Fasal Bima Yojana in Andhra Pradesh during the last three years, district-wise, and year-wise as on 28.07.2021		
District Name	2018-19	2019-20 (Only for Kharif 2019)* (Provisional)
Anantapur	6,72,110	9,47,581
Chittoor	80,318	83,835
East Godavari	1,76,679	2,43,794
Guntur	40,820	2,29,733
Krishna	90,237	1,52,235
Kurnool	3,02,840	4,42,752
Prakasam	1,59,732	3,72,278
Sri Potti Sriramulu Nellore	44,767	1,00,653
Srikakulam	1,95,637	4,40,741
Visakhapatnam	36,181	1,93,711
Vizianagaram	91,471	2,00,514
West Godavari	1,64,203	2,40,515
Y.S.R.	4,30,653	4,50,934
Andhra Pradesh Total	24,85,648	40,99,276

*** Andhra Pradesh has not implemented PMFBY since Rabi 2019-20**
