

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE AND FARMERS WELFARE
LOK SABHA
UNSTARRED QUESTION NO. 2139
TO BE ANSWERED ON THE 15TH MARCH, 2022

FUNCTIONING OF PMFBY

2139. SHRI KRIPANATH MALLAH:
SHRI VINCENT H. PALA:

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

- (a) the salient features of Pradhan Mantri Fasal Bima Yojana (PMFBY);
- (b) the number of farmers who have been regular with the premium amount under PMFBY;
- (c) the details of farmers who have been able to redeem insurance money in the event of bad crop;
- (d) the number of farmers who have faced delay in receiving insurance payments by due date, State-wise; and
- (e) whether the Government has any plan to revamp the scheme so that actual benefits reach the farmers?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) : The Pradhan Mantri Fasal Bima Yojana (PMFBY) has been approved for its implementation from Kharif 2016 and further revised and revamped from Rabi 2018-19 and Kharif 2020 season respectively. The main features of PMFBY are **annexed**.

(b) to (e) : Details of number of farmer applications enrolled, premium paid by farmers, claims paid and number of farmer applications who got claims due to crop failure since inception of the scheme in 2016-17 are given as under :

Year	No. of Farmer Applications Enrolled (in lakhs)	Premium paid by farmers (Rs. in crore)	Claims Paid (Rs. in crore)	No. of Farmer Applications got claims (in lakh)
2016-17	583.7	4085	16808	156.5
2017-18	532.7	4203	22149	177.1
2018-19	577.8	4690	28171	224.2
2019-20	622.4	4532	26155	229.0
2020-21	615.9	4020	17783	159.7

The admissible claims under the PMFBY are generally paid by the concerned insurance companies within two months of completion of Crop Cutting Experiments (CCEs)/harvesting period and one month of notification for invoking the risks/perils of prevented sowing, mid-season adversity and post harvest losses subject to receipt of total share of premium subsidy from concerned Government within time. However, settlement of few claims in some States got delayed due to reasons like delayed transmission of yield data; late release of State share in premium subsidy, 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. Insurance companies have to pay penal interest @12% per annum to the farmers for the period beyond the stipulated period in the PMFBY Guidelines from the date of receipt of final yield data from the State Government and completion of crop damage survey.

The rationalization/revisions/improvements in the crop insurance schemes is a continuous process and decisions on suggestions/ representations/ recommendations of the stakeholders /studies are taken from time to time after consultation with various stakeholders.

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 encourage 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 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 equally by the Centre and State.
- 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) Use of Remote Sensing Technology, Smartphones & Drones for quick estimation of crop losses to ensure early settlement of claims.
- xii) 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.
- xiii) Focused attention on increasing awareness about the schemes among all stakeholders and appropriate provisioning of resources for the same.
- xiv) Making the scheme voluntary for all farmers instead of compulsory for loanee farmers.
