

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

LOK SABHA
UNSTARRED QUESTION NO.889
TO BE ANSWERED ON THE 1ST MARCH, 2016

PRADHAN MANTRI FASAL BIMA YOJANA

889. SHRIMATI JYOTI DHURVE:
SHRI ASADUDDIN OWAISI:
SHRI CHANDRA PRAKASH JOSHI:
DR. HEENA VIJAYKUMAR GAVIT:
MOHAMMED FAIZAL:
SHRI B. VINOD KUMAR:
KUMARI SUSHMITA DEV:
KUNWAR HARIBANSH SINGH:
ADV. JOICE GEORGE:
SHRI RAJU SHETTY:
DR. SHRIKANT EKNATH SHINDE:
SHRI MOHITE PATIL VIJAYSINH SHANKARRAO:
SHRI PREM SINGH CHANDUMAJRA:
SHRIMATI SUPRIYA SULE:
SHRI KALIKESH N. SINGH DEO:
SHRI ANANDRAO ADSUL:
SHRI SHRIRANG APPA BARNE:
SHRIMATI POONAMBEN MAADAM:
DR. PRABHAS KUMAR SINGH:
SHRI SHAILESH KUMAR:
SHRI RAJESHBHAI CHUDASAMA:
SHRI ASHOK SHANKARRAO CHAVAN:
DR. C. GOPALAKRISHNAN:
SHRI M.K. RAGHAVAN:
SHRI GAJANAN KIRTIKAR:
SHRI ARJUN MEGHWAL:
SHRI JANARDAN SINGH SIGRIWAL:
SHRI GOPAL SHETTY:
SHRI M. RAJA MOHAN REDDY:
SHRI MULLAPPALLY RAMACHANDRAN:
SHRI DHANANJAY MAHADIK:
SHRI HARINARAYAN RAJBHAR:
DR. SHASHI THAROOR:
DR. J. JAYAVARDHAN:
SHRI C.N. JAYADEVAN:
DR. BHOLA SINGH:
SHRI DILIPKUMAR MANSUKHLAL GANDHI:
SHRI VINAYAK BHAURAO RAUT:
SHRI SATAV RAJEEV:
SHRI RAJESH VERMA:

ADV. CHINTAMAN NAVASHA WANAGA:
SHRI M.I. SHANAVAS:
SHRI KUNWAR PUSHPENDRA SINGH CHANDEL:
SHRI BIDYUT BARAN MAHATO:
SHRI MALLIKARJUN KHARGE:
SHRI SUDHEER GUPTA:
SHRI NAGENDRA KUMAR PRADHAN:
SHRI JYOTIRADITYA M. SCINDIA:
DR. MANOJ RAJORIA:
SHRI CHARANJEET SINGH RORI:
DR. SUNIL BALIRAM GAIKWAD:
SHRI SUSHIL KUMAR SINGH:
SHRI BHAIRON PRASAD MISHRA:
SHRI C.R. CHAUDHARY:
SHRI T. RADHAKRISHNAN:
SHRI SUMEDHANAND SARSWATI:
SHRI LALLU SINGH:
SHRI V. PANNEERSELVAM:
SHRI B. SENGUTTUVAN:
SHRI AJAY MISRA TENI:
SHRI RAHUL SHEWALE:
SHRI ADHALRAO PATIL SHIVAJIRAO:
SHRI RAHUL KASWAN:
KUMARI SHOBHA KARANDLAJE:
SHRIMATI SANTOSH AHLAWAT:
SHRI DHARMENDRA YADAV:
SHRI DUSHYANT CHAUTALA:
SHRI BHOLA SINGH:
SHRI BAIJAYANT JAY PANDA:

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

(a) whether the Government has unveiled a new crop insurance scheme called Pradhan Mantri Fasal Bima Yojana (PMFBY) with premium to be paid by farmers as low as 1.5% of sum assured for all rabi crops and 2% for kharif crops to overcome the compensation of natural calamities to farmers, if so, the details thereof along with the salient features of the scheme, the number of farmers to be covered during the next one year under the scheme, State-wise and the benefits to be derived therefrom;

(b) the ratio of estimated expenditure as premium to be shared between the Union Government and State Governments;

(c) whether the Government is considering to include non-loanee farmers, tenant farmers and share-croppers within the ambit of the PMFBY, if so, the details thereof;

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(d) whether the new crop insurance scheme is likely to replace the existing two schemes namely National Agricultural Insurance Scheme (NAIS) and Modified NAIS, which have some inherent drawbacks, if so, the details thereof; and

(e) the details of the steps taken by the Government to make the scheme fruitful for all the farmers of the country?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्रालय में राज्य मंत्री (SHRI MOHANBHAI KUNDARIYA)

(a) to (e): Yes, Madam. Government of India has recently approved Pradhan Mantri Fasal Bima Yojana (PMFBY) which would replace the existing schemes of National Agricultural Insurance Scheme (NAIS) & Modified National Agricultural Insurance Scheme (MNAIS) from ensuing Kharif 2016. The scheme has been improved from earlier schemes on several counts viz. lowest and one premium rate on pan-India basis for farmers i.e. maximum 1.5%, 2% and 5% for all Rabi, Kharif and annual horticultural/commercial crops, respectively; no capping on premium resulting no deduction in sum insured; inundation has been incorporated as a localized calamity in addition to hailstorm and landslide for individual farm level assessment; provision for post harvest losses due to cyclonic & unseasonal rains, allocation of districts/areas on cluster/ group basis and for longer period to insurance companies, for more effective implementation, as well as use of remote sensing technology & use of smartphone for getting images of Crop Cutting Experiments etc. for early settlement of claims have also been introduced. Salient features of the scheme are **annexed**.

Premium rates payable by farmers, selection of insurance company & administrative and operational structure of Weather Based Crop Insurance Scheme (WBCIS) have also been rationalized and made at par with PMFBY.

The scheme is available to all farmers including loanee, non-loanee, tenant, share-croppers. The scheme would be implemented on actuarial basis but the expenses over and above the premium paid by farmers should be shared by the Central and State Government on 50 : 50 basis. The scheme envisages increasing coverage from present 23% to 50% of the gross cropped area of the country in next 2-3 years. Government is undertaking a comprehensive publicity and awareness programme to educate the farmers about the benefit of crop insurance schemes. Capacity building and training programmes for other stakeholders are also being organized.

Salient Features of PMFBY

- i) Provide 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) Increase the risks 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) 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.
- v) The difference between premium and the rate of Insurance charges payable by farmers shall be shared equally by the Centre and State.
- vi) Uniform seasonality discipline & Sum Insured for both loanee & non-loanee farmers
- vii) Removal of provision of capping on premium and reduction of sum insured to facilitate farmers to get claim against full sum insured without any reduction.
- viii) Inundation has been incorporated as a localized calamity in addition to hailstorm and landslide for individual farm level assessment.
- ix) Provision of for individual farm level assessment for Post harvest losses against the cyclone & unseasonal rains for the crops kept in the field to dry throughout the country.
- x) Provision of claims upto 25% of sum insured for prevented sowing.
- xi) “On-account” payment upto 25% of sum insured for mid season adversity, if the crop damage will be reported more than 50%. Remaining claims based on Crop Cutting Experiments (CCEs) data.
- xii) For more effective implementation, a cluster approach will be adopted under which a group of districts with variable risk profile will be allotted to an insurance company through bidding for a longer duration upto 3 years.
- xiii) Use of Remote Sensing Technology, Smartphones & Drones for quick estimation of crop losses to ensure early settlement of claims.
- xiv) Crop Insurance Portal has been launched. This will be used extensively for ensuring better administration, co-ordination, transparency and dissemination of information.
- xv) Focused attention on increasing awareness about the schemes among all stakeholders and appropriate provisioning of resources for the same.
- xvi) The claim amount will be credited electronically to the individual Insured Bank Account
- xvii) Adequate publicity in all the villages of the notified districts/ areas
- xviii) Premium rates under Weather Based Crop Insurance Scheme (WBCIS) have also been reduced and brought at par with new scheme. Further, capping on Actuarial premium and reduction in sum insured has been removed in this scheme also.