

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

LOK SABHA
UNSTARRED QUESTION NO.353
TO BE ANSWERED ON THE 19TH NOVEMBER, 2019

DETAILS OF PMFBY

353. DR. SUJAY RADHAKRISHNA VIKHE PATIL:
SHRI DHAIRYASHEEL SAMBHAJIRAO MANE:
DR. SHRIKANT EKNATH SHINDE:

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

- (a) the details of Pradhan Mantri Fasal Bima Yojana (PMFBY) along with the details of insurer companies and the system of approval for insurance of agricultural yield;
- (b) the details of the premium collected since the launch of PMFBY till date, State/ UT-wise and date-wise;
- (c) the details of insurance amount given away, State/UT-wise and date-wise;
- (d) whether insurers have returned the premium collected from farmers in Maharashtra, if so, the details thereof and the reasons therefor; and
- (e) whether the Government has taken any steps to resolve this problem, if so, the details thereof, if not, the reasons therefor?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a): With a view to provide a simple and affordable crop insurance scheme to ensure comprehensive risk cover for crops against all non-preventable natural risks from pre-sowing to post-harvest, and to provide adequate claim amount and timely settlement of claims, yield based scheme namely Pradhan Mantri Fasal Bima Yojana (PMFBY) and weather index based Restructured Weather Based Crop Insurance Scheme (RWBCIS) have been launched from Kharif 2016 by the Government. Salient features of PMFBY are at **Annexure-I**.

At present, total 18 companies, which includes all the 5 Public Sector General Insurance Companies and 13 Private Sector General Insurance Companies, have been empanelled for implementation of Pradhan Mantri Fasal Bima Yojana (PMFBY) in the country. Names of empanelled compnies are given in following table :

PUBLIC SECTOR INSURANCE COMPANIES	
1.	Agriculture Insurance Company of India Ltd.
2.	National Insurance Company Ltd.
3.	New India Assurance Company Ltd.
4.	Oriental Insurance Company Ltd.
5.	United India Insurance Company Ltd.
PRIVATE SECTOR INSURANCE COMPANIES	
6.	Bajaj Allianz General Insurance Company Ltd.
7.	Bharti AXA General Insurance Company Ltd.
8.	Cholamandalam MS General Insurance Company Ltd.
9.	Future Generali India Insurance Company Ltd.
10.	HDFC-ERGO General Insurance Company Ltd.
11.	ICICI-Lombard General Insurance Company Ltd.
12.	IFFCO-Tokio General Insurance Company Ltd.
13.	Reliance General Insurance Company Ltd.
14.	SBI General Insurance Company Ltd.
15.	Shriram General Insurance Company Ltd.
16.	Tata-AIG General Insurance Company Ltd.
17.	Universal Sompo General Insurance Company Ltd.
18.	Royal Sundaram General Insurance company Ltd.

As per scheme provisions, farmers are indemnified by the insurance company to the extent/percentage of crop losses against the defined Threshold Yield multiplied by sum insured as decided by the State Government. Claim amount for wide spread calamities are calculated based on the yield data arrived from requisite number of Crop Cutting Experiments (CCEs) conducted by the concerned State Government. Claims per hectare are worked out by the concerned insurance company based on the yield data provided by the concerned State Government as per following formula :

$$\frac{\text{Threshold Yield (TY)} - \text{Actual Yield (AY)}}{\text{-----}} \times \text{Sum Insured}$$

Threshold Yield (TY)

Where Threshold Yield for a crop in a notified insurance unit is the average yield of best 5 years out of past 7 years multiplied by applicable indemnity level for that crop.

However, losses due to localized risks of hailstorm, landslide, inundation, cloud burst & natural fire and post-harvest losses are calculated on individual insured farm level, based on the report of the joint committee comprising representatives of State Government and insurance company to survey the extent of loss. Further, there is also a provision to pay claims towards prevented sowing/failed germination and adhoc claims in case of mid season adversity.

(b) & (c): State/UT-wise details of premium collected and claims paid by insurance companies from 2016-17 to 2018-19 are given in **Annexure-II**.

(d): As per provisions of the scheme banks remit the premium to insurance companies within stipulated cut-off date and submit the individual farmer-wise details within 15 days after the cut-off date. At the time of reconciliation of premium and data sent by the financial institutions, if there is any mis-match between premium and individual farmer's data, the excess premium is returned by the insurance companies to the concerned financial institutions. Further, insurance company also process the applications and the requisite documents submitted by the farmers, especially non-laonee farmers. If the application or documents are not correct/duplicate documents, they reject the application and returned the premium in such cases. There are such incidences in every season in every State including Maharashtra.

(e): The Government has issued instructions from time to time to the financial institutions to remit the premium and farmers' data correctly and timely on National Crop Insurance Portal so that incidents of mis-match can be reduced

Salient Features of PMFBY

- (i) Provides comprehensive insurance coverage against crop loss on account of non-preventable natural risks, thus helping in stabilising 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) 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 is provided as subsidy and shared equally by the Centre and State.
- (iv) 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 rain and hailstorm.
- (ix) Provision of individual farm level assessment for Post harvest losses against the cyclonic & unseasonal rains and hailstorm for the crops kept in the field for drying upto a period of 14 days, 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 is reported more than 50% in the insurance unit. Remaining claims based on Crop Cutting Experiments (CCEs) data.
- (xii) Use of Remote Sensing Technology, Smartphones & Drones for quick estimation of crop losses to ensure early settlement of claims.
- (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.

State/UT-wise details of premium collected and claims under PMFBY/RWBCIS

Rs in Crore

State/UT Name	Gross Premium	Claims	Gross Premium	Claims	Gross Premium	Claims
	2016-17		2017-18		2018-19*	
A & N Islands	0.02	0.15	0.03	0.00	0.24	0.00
Andhra Pradesh	845.45	944.43	1301.14	724.48	1328.73	1072.69
Assam	8.65	5.36	11.89	1.11	11.24	0.09
Bihar	1416.25	347.89	1027.66	396.17	0.00	0.00
Chhattisgarh	325.77	160.07	361.87	1388.01	889.16	1058.41
Goa	0.07	0.03	0.05	0.00	0.03	0.09
Gujarat	2274.68	1267.20	3261.45	1076.14	3141.42	2591.51
Haryana	364.39	296.22	453.17	899.37	840.68	923.06
Himachal Pradesh	71.68	45.18	77.51	64.71	75.61	10.19
Jammu & Kashmir	0.00	0.00	40.97	9.80	79.06	12.13
Jharkhand	271.81	31.17	211.93	45.96	395.55	73.04
Karnataka	1356.29	2042.88	1834.10	859.20	1824.28	2306.26
Kerala	33.15	44.55	25.87	10.94	36.30	12.35
Madhya Pradesh	3778.64	2033.93	4946.73	5822.00	5364.07	122.29
Maharashtra	4596.45	2316.43	4298.53	3286.60	6125.34	5466.90
Manipur	3.59	1.96	1.94	0.67	0.21	0.00
Meghalaya	0.05	0.03	1.42	0.02	0.10	0.09
Odisha	539.05	432.16	820.32	1779.05	1077.85	1020.85
Puducherry	2.88	7.57	0.00	0.00	3.11	0.45
Rajasthan	2543.83	1946.85	2707.13	2174.61	3435.41	2077.07
Sikkim	0.01	0.10	0.06	0.04	0.02	0.00
Tamil Nadu	1191.07	3534.08	1297.14	1897.90	1362.12	1514.07
Telangana	291.86	178.76	678.78	630.89	524.30	27.65
Tripura	0.39	0.71	0.74	1.00	0.03	0.00
Uttar Pradesh	1207.72	575.04	1390.61	380.46	1504.43	447.04
Uttarakhand	41.44	27.47	67.84	39.44	75.12	47.78
West Bengal	726.76	421.71	642.44	254.32	708.08	136.81
GRAND TOTAL	21891.93	16661.92	25461.34	21742.90	28802.51	18920.84

* Claims data is provisional as available on 13.11.2019.
