

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

LOK SABHA
STARRED QUESTION NO. 17
TO BE ANSWERED ON THE 11TH DECEMBER, 2018

PRADHAN MANTRI FASAL BIMA YOJANA

*17. DR. KAMBHAMPATI HARIBABU:
SHRI KAMAL NATH:

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

- (a) the details of enrolment of farmers in the Pradhan Mantri Fasal Bima Yojana(PMFBY) during each of the last three years and the current year, State-wise;
- (b) whether lakhs of farmers insured in the first year of PMFBY in 2016-17 withdrew themselves from the scheme in 2017-18 and if so, the details in this regard and the reasons therefor;
- (c) whether the Government has undertaken any investigation on the implementation of the scheme and its net effect on the farmers, if so, the details and the outcome thereof;
- (d) whether the crop insurance companies have registered huge profits since the launch of the scheme, if so, the response of the Government thereto and the present stand of the Government on the scheme in view of farmers withdrawing themselves from the scheme; and
- (e) the remedial measures being taken by the Government to strengthen the scheme and benefit the poor farmers instead of middlemen like insurance companies along with the steps taken to build confidence among farmers to opt for the scheme?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI RADHA MOHAN SINGH)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 17 DUE FOR REPLY ON 11TH DECEMBER, 2018.

(a): Year-wise and State-wise details of farmers enrolled under the Pradhan Mantri Fasal Bima Yojana (PMFBY), since its inception in April, 2016 till Kharif 2018, are given in **Annexure.**

(b): No Madam. Both loanee and non-loanee farmers are enrolled under the scheme. Loanee farmers are those who avail the Kisan Credit Card/Crop Loan for notified crops and they are mandatorily covered under the scheme. Participation of non-loanee farmers in the scheme is voluntary.

After implementation of the PMFBY since April, 2016, enrolment of non-loanee farmers has increased from 27.81 lakh in 2015-16 under erstwhile schemes to 136.66 lakh in 2016-17 and to 138.47 lakh in 2017-18 indicating acceptance of the scheme.

Enrolment of loanee farmers declined in 2017-18 because of the reasons like farmers becoming ineligible for crop insurance due to Debt Waiver Scheme in Maharashtra and Uttar Pradesh, Government of Uttar Pradesh withdrawing the low risk crops like sugarcane from coverage and introduction of Direct Benefit Transfer (DBT) by the Government in April 2017 to weed out ghost / duplicate beneficiaries while helping genuine farmers through Aadhar based verification, etc.

(c): The scheme is in its third year of implementation and the Department has put a rigorous monitoring mechanism in place in form of weekly review with all stakeholders including States, Insurance Companies, Banks and other supporting agencies, issues based meetings with concerned stakeholders including meetings of Technical Advisory Committee and meetings of National Level Monitoring Committee (NLMC) to ensure early settlement of claims under the scheme.

(d) & (e): Pradhan Mantri Fasal Bima Yojana provides financial protection to farmers in the event of crop damage due to natural calamities. The amount of insurance claims depends largely on the crop production and extent of damage due to the weather conditions and nature of calamities. Generally, more claims are paid by insurance companies in the adverse weather conditions, while payment of claims is relatively less compared to premium, during good agriculture years. The details of insurance claims given to farmers in states / areas affected by the natural calamities in the last three seasons are as follows:

Season	States	Premium paid by farmers (Rs. in crore)	Total Premium (Rs. in crore)	Total Estimated Claims (Rs. in crore)	Total* Claims Paid (Rs. in crore)	Percentage (%) of estimated claims against premium paid by farmers (Rs. in crore)	Percentage (%) of estimated claims against Total premium (Rs. in crore)
Kharif 2016	Kerala	3.12	8.57	17.92	17.87	575%	209%
	Karnataka	19038.	881.77	1164.08	1151.93	611%	132%
	Andhra Pradesh	18112.	680.80	648.28	643.81	358%	95%
Rabi 2016-17	Tamil Nadu	107	1217.41	3476.20	3394.88	3249%	286%
	Andhra Pradesh	18.15	164.70	254.65	240.76	1403%	155%
Kharif 2017	Chhattisgarh	128.18	306.78	1303.89	1303.79	1017%	425%
	Haryana	124.19	297.98	614.28	609.99	495%	206%
	Madhya Pradesh	508.06	3945.79	5367.28	5307.42	1056%	136%
	Odisha	145.09	835.46	1720.85	1719.35	1186%	206%

* Balance estimated claims are being paid by the concerned insurance companies.

In the country under the scheme, as against the premium collected from farmers amounting to Rs. 4216.04 crore in 2016-17, claims of Rs. 16279.25 crore have been paid to farmers. Similarly, claims of Rs. 16967.92 crore have been paid during 2017-18 (Kharif 2017) against premium collected from farmers amounting to Rs. 3038.70 crore. Details of the premium received by insurance companies and claimed paid to the farmers during last three seasons is as under:-

(Rs. in Crore)

Sl.No.	Season	Gross Premium received	Farmers contribution in Gross Premium	Total Claims
1	2016-17	22345.51	4216.04	16279.25
2	Kharif - 2017	19767.46	3038.70	16967.92

Inspite of overall good monsoon during first two years of implementation of PMFBY, the claim ratio during 2016-17 is about 73% and during Kharif 2017, it is about 86%. Moreover, administrative and other cost for insurance company for implementation of the scheme ranges from 10 % to 12% of gross premium.

With a view to ensure better transparency, accountability and timely payment of claims to the farmers, Government has comprehensively revised the Operational Guidelines of the scheme recently which, inter-alia, include the following :

- i) Provision of 12% interest rate per annum to be paid by the Insurance Company to farmers for delay in settlement claims beyond 10 days of prescribed cut off date for payment of claims.
- ii) State Government have to pay 12% interest rate for delay in release of State share of Subsidy beyond three months of prescribed cut off date/submission of requisition by Insurance Companies.
- iii) Increased time for change of crop name for insurance - upto 2 working days prior to cut-off date for enrolment instead of earlier provision of 1 month before cut off date.
- iv) Rationalization of methodology for calculation of Threshold Yield (TY) to calculate claims - Moving average of best 5 out of 7 years to be taken for calculation.
- v) Increase in risk coverage by inclusion of risks of cloud burst and natural fire under localized calamities and hailstorm under post-harvest losses.
- vi) Time for intimation of loss due to localized calamities and post-harvest losses has been increased from 48 hours to 72 hours.
- vii) Stratified grievance redressal mechanism viz. District Level Grievance Redressal Committee (DGRC), State Level Grievance Redressal Committee (SGRC).

- viii) Detailed plan for publicity and awareness - 0.5% of Gross premium per company per season earmarked for the purpose.
- ix) Detailed Standard Operating Procedures (SOPs) for settlement of claims under localized calamities, post harvest losses, mid-season adversity and prevented sowing and redressal of disputes regarding yield data including add on features.
- x) Inclusion of perennial crops and add on coverage for damage by wild animals on pilot basis.

Annexure Referred to Part (a) of Lok Sabha Starred Question No. 17 for reply of 11.12.2018																
Details of Farmer Applicants enrolled under PMFBY																
Sl. No.	State / UT	Kharif 2016			Rabi 2016-17			Kharif 2017			Rabi 2017-18			Kharif 2018(Provisional)*		
		Loanee Farmer Enrolment	Non Loanee Farmer Enrolment	Total Farmer Enrolment	Loanee Farmer Enrolment	Non Loanee Farmer Enrolment	Total Farmer Enrolment	Loanee Farmer Enrolment	Non Loanee Farmer Enrolment	Total Farmer Enrolment	Loanee Farmer Enrolment	Non Loanee Farmer Enrolment	Total Farmer Enrolment	Loanee Farmer Enrolment	Non Loanee Farmer Enrolment	Total Farmer Enrolment
1	A & N Islands				324		324				364		364	-	-	-
2	Andhra Pradesh	1,553,441	65,096	1,618,537	84,879	71,996	156,875	1,531,017	66,418	1,597,435	141,157	106,780	247,937	1,578,915	80,453	1,659,368
3	Assam	51,740	9	51,749	8,489	27	8,516	49,815	1,735	51,550	5,288	32	5,320	23,750	1,356	25,106
4	Bihar	1,463,358	22,074	1,485,432	1,215,570	13,236	1,228,806	1,159,095	448	1,159,543	1,082,182	17,625	1,099,807	Not Participated		
5	Chhattisgarh	1,251,114	148,075	1,399,189	101,354	48,596	149,950	1,122,964	180,844	1,303,808	121,433	48,977	170,410	1,203,202	175,646	1,378,848
6	Goa	744		744	13		13	537		537	1		1	343	1	344
7	Gujarat	1,837,899	4,487	1,842,386	132,555	198	132,753	1,487,895	2,715	1,490,610	270,862	357	271,219	1,197,522	4,575	1,202,097
8	Haryana	736,959	1,897	738,856	596,007	1,165	597,172	635,987	3,329	639,316	712,746	1,515	714,261	716,721	6,408	723,129
9	Himachal Pradesh	132,222	2,394	134,616	186,990	58,319	245,309	125,006	462	125,468	254,339	2,208	256,547	96,032	1,207	97,239
10	Jammu & Kashmir				Not Participated			79,939	5,680	85,619	66,336	188	66,524	84,606	2,600	87,206
11	Jharkhand	169,381	659,031	828,412	31,438	19,489	50,927	156,914	992,872	1,149,786	21,290	27,777	49,067	148,858	1,089,545	1,238,403
12	Karnataka	1,093,807	263,068	1,356,875	174,090	1,206,702	1,380,792	766,867	814,630	1,581,497	15,560	12,250	27,810	619,939	702,786	1,322,725
13	Kerala	23,649	7,882	31,531	29,562	16,312	45,874	25,771	2,593	28,364	20,836	6,953	27,789	24,859	1,448	26,307
14	Madhya Pradesh	3,672,805	399,169	4,071,974	2,999,701	109,567	3,109,268	3,435,404	149,280	3,584,684	3,352,589	91,522	3,444,111	3,208,024	123,218	3,331,242
15	Maharashtra	3,808,676	7,188,722	10,997,398	281,766	726,766	1,008,532	1,944,415	6,823,796	8,768,211	204,806	1,159,660	1,364,466	1,602,826	8,079,412	9,682,238
16	Manipur	5,928	2,438	8,366	Not Participated						8,812	297	9,109	Not Participated		
17	Meghalaya	63		63	26		26	2,945		2,945				-	-	-
18	Odisha	1,735,919	30,622	1,766,541	51,701	1,994	53,695	1,673,342	154,497	1,827,839	60,419	3,068	63,487	1,755,409	275,598	2,031,007
19	Puducherry				44	8,493	8,537		-	-	-	-		-	-	-
20	Rajasthan	6,230,841	673	6,231,514	2,938,246	-	2,938,246	5,417,582	32	5,417,614	3,173,870	558	3,174,428	3,949,905	5,582	3,955,487
21	Sikkim				-	574	574	285	508	793	-	664	664	210	31	241
22	Tamil Nadu	15,870	3	15,873	297,228	1,098,125	1,395,353	75,679	70,541	146,220	349,350	996,420	1,345,770	96,238	132,635	228,873
23	Telangana	652,570	56,306	708,876	249,219	15,248	264,467	787,809	31,581	819,390	171,796	19,699	191,495	518,986	76,256	595,242
24	Tripura	937	944	1,881	2,474	8,405	10,879	1,931	389	2,320	4,442	4,912	9,354	-	-	-
25	Uttar Pradesh	3,734,870	4,403	3,739,273	3,078,250	25,579	3,103,829	2,491,105	8,839	2,499,944	2,757,989	63,823	2,821,812	3,059,094	77,388	3,136,482
26	Uttarakhand	162,188	13,055	175,243	66,727	19,601	86,328	120,444	21,782	142,226	56,066	24,279	80,345	117,883	19,282	137,165
27	West Bengal	1,713,316	1,340,092	3,053,408	1,074,761	5,110	1,079,871	1,110,601	1,239,735	2,350,336	926,625	684,552	1,611,177	1,510,790	901,645	2,412,435
	Grand Total	30,048,297	10,210,440	40,258,737	13,601,414	3,455,502	17,056,916	24,203,349	10,572,706	34,776,055	13,779,158	3,274,116	17,053,274	21,514,112	11,757,072	33,271,184

* The figure of farmer enrolment for Kharif 2018 is provisional and data from few States viz., Rajasthan, Madhya Pradesh, etc. are still awaited. Enrolment during Kharif 2018 is likely to be higher than Kharif 2017.
