

PERCEPTION OF PRADHAN MANTRI FASAL BIMA YOJANA(PMFBY)

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Abstract

Pradhan Mantri Fasal Bima Yojna (PMFBY) aims to provide a comprehensive insurance cover against failure of the crop thus helping in stabilizing the income of the farmers. The scheme covers all Food & Oilseeds crops and Annual Commercial/Horticultural Crops for which past yield data is available and for which requisite number of crop cutting experiments are being conducted under General Crop Estimation Survey. The scheme is implemented by empanelled general insurance companies. Selection of Implementing Agency is done by the concerned State Government through bidding. The scheme was earlier compulsory for loaner farmers availing crop loan. The scheme is being administered by Ministry of Agriculture and Farmers Welfare.

Keywords: Pradhan Mantri Fasal Bima Yojna, Crops and Farmers

INTRODUCTION

The Pradhan Mantri Fasal Bima Yojana is an Indian government initiative. Within the PMFBY scheme, the farmer may get his crop insured, and resolve any queries and concerns with the assistance of the web portal. The portal permits different departments of the Indian government to disseminate information about the scheme that can benefit the farmer in the long run. The Pradhan Mantri Fasal Bima Yojana scheme provides coverage to the Indian farmers against any financial loss that may incur under an unfortunate event. The PM Fasal Bima Yojana offers insurance coverage cover in case of loss due to a natural calamity, crop diseases, pests, unseasonal rains, and so forth. This will help the farmers to stabilize their income and ensure their continuance in farming and adopting innovative and modern agricultural practices. Moreover, it also ensures credit flow to the agriculture sector

Objective of the Pradhan Mantri Fasal Bima Yojana (PMFBY)

Pradhan Mantri Fasal Bima Yojana (PMFBY) aims at providing support for the sustainable production of yield in the agricultural sector. PMFBY will achieve this by implementing the following:

- Financial support will be provided to farmers in distress due to loss and damage to crops caused by unexpected calamities.
- Making sure the income of farmers is stabilized for them to continue their farming activities.
- Promoting farmers to adopt and use modern equipment and agricultural practices for efficient and high yield farming.
- Ensuring the flow of credit to the agriculture sector contributes to food security, crop diversification, and enhancing growth and competitiveness of the agriculture sector besides protecting farmers from production risks.

COVERAGE OF FARMERS

All the farmers growing notified crops in a notified area during the season who have insurable in the crop are eligible.

Voluntary coverage: From 2020 Kharif onwards the enrollment is made 100% voluntary

Coverage of crops

- Oil seeds
- Food crop
- Annual Commercial / Annual Horticultural crops.

PREMIUM PAYABLE

Type of crop	% of premium
Kharif Food & Oilseeds crops	2%
Rabi Food & Oilseeds crops	1.5%
Annual Commercial/Horticultural Crops	5%

Other agriculture schemes launched by central government

Agriculture initiatives schemes launched by the Narendra Modi regime are:

- [2020 Indian agriculture acts](#)
- [Atal Bhujal Yojana](#)
- [E-NAM](#) for online agrimarketing
- [Gramin Bhandaran Yojana](#) for local storage
- [Irrigation in India#Micro](#)
- [National Action Plan for Climate Change#NMSA](#)
- [National Scheme on Fisheries Training and Extension](#)
- [National Scheme on Welfare of Fishermen](#)
- [Pradhan Mantri Kisan Samman Nidhi](#) for minimum support scheme
- [Pradhan Mantri Krishi Sinchai Yojana](#) for irrigation
- [Agriculture in India](#) for organic farming
- Pradhan Mantri Fasal Bima Yojana, for crop insurance

Features of Pradhan Mantri Fasal Bima Yojana (PMFBY)

- Complete Insurance coverage provision against crop loss due to unpreventable reasons. The purpose of this is to stabilize the farmer's income and promote innovative agricultural practices.
- Improved and increased risk coverage for the insurance of crop cycle for losses occurred during pre-sowing and post-harvesting.
- To settle claims for widespread damage, PMFBY uses an Area Approach wherein an Insurance Unit is reduced to Village or panchayat level for major crops.
- PMFBY facilitates the farmers to get their claim of the full sum insured without any reduction by taking off capping on premium provisions as well as other reductions on the sum insured.
- Along with landslide and hailstorm, even inundation (flooding) has been incorporated as a localized calamity for the assessment at the individual farm level.
- Assessment at the individual farm level is now provided for **post-harvest losses by the PMFBY**. This involves losses caused due to unseasonal and cyclonic rains throughout the country which destroy the crops kept for drying up to two weeks.
- Prevented Sowing is now provided with claims up to 25% of the sum insured.
- A group of districts will be allotted an insurance company. This kind of Cluster approach will result in effective implementation of the policy. The insurance company allocation will be through a bidding process for a longer duration of up to 3 years.
- Innovative technologies for faster and efficient estimation of crop losses are used. Usage of Drones, Smartphones, and Remote Sensing Technologies will ensure early settlement of insurance claims.

- An online portal for Crop insurance has been launched to ensure improved administration, better transparency and coordination, and dissemination of information.
- The insurance sum is directly credited electronically in the farmer's bank account.
- Also, a Unified Package Insurance Scheme (UPIS) has also been approved for implementation on a pilot basis in 45 districts of the country from Kharif 2016 season to cover the other assets/activities like machinery, life, accident, house and student safety for farmers along with their notified crops

FARMER APPLICATIONS ENROLLED

In past 8 Years of implementation of Pradhan Mantri Fasal Bima Yojana (PMFBY) – 56.80 crore farmer applications have been enrolled and over 23.22 crore farmer applicants received claims. During this period, nearly Rs. 31,139 crore were paid by farmers as their share of premium against which claims of over Rs. 1,55,977 crore have been paid to them. Thus, for every 100 rupees of premium paid by farmers, they have received about Rs. 500 as claims.

Pradhan Mantri Fasal Bima Yojana (PMFBY) is a demand driven scheme and is voluntary for the States as well as farmers. The number of farmer applications has grown 33.4% and 41% year-on-year during 2021-22 and 2022-23, respectively. Further, during the year 2023-24, there is an increase of 27% in terms of farmers enrolled under the scheme so far. Also 42% of total farmers insured under the scheme in FY 2023-24 are non-loanee farmers.

BENEFITS OF PRADHAN MANTRI FASAL BIMA YOJANA (PMFBY)

- Farmer's contribution to premium is reduced significantly i.e. 2% for Kharif crops, 1.5% for Rabi crops and 5% for Annual and Commercial crops.
- Provision to assess the losses individually in case of localized perils such as hailstorm, inundation and landslide.
- Assessment of yield loss on individual plot basis in case of occurrence of cyclone, cyclonic rains and unseasonal rains throughout the country resulting in damage to harvested crop lying in the field in 'cut and spread' condition up to maximum period of two weeks (14 days) from harvesting for the sole purpose of drying.
- On-account claim payment is made to the farmer in case of prevented sowing and localized losses.
- The use of technology will be encouraged to a great extent under this scheme. Smart phones will be used to capture and upload data of crop cutting to reduce the delays in claim payment to farmers. Remote sensing will also be used under this scheme to reduce the number of crop cutting experiments.

HIGHLIGHTS OF THE PMFBY SCHEME

The prime motto of the PMFBY scheme is 'One Nation, One Crop, One Premium. The **Pradhan Mantri Fasal Bima Yojana** aims to provide crop insurance at a cost-effective premium to all Indian farmers. Let us have a look at the key highlights of the PMFBY scheme:

- The PMFBY scheme is mandatory for a loanee farmer to obtain the crop loan/KCC account for the crops notified.
- The maximum premium payable by the farmer will be 2% for the Kharif food and oilseed crops. For rabi food and oilseeds crop, it is 1.5% and for yearly commercial or horticultural crops it will be 5%.
- The difference between the premium and insurance rate charges payable by farmers is shared equally by both center and state.
- The scheme is implemented on an 'Area Approach' basis. Within it, the insurance unit will be village/village panchayat level for major crops. For other crops, it may be a unit of size above the village or village panchayat.
- The assessment of loss for crop losses due to any non-preventable natural perils will be on the premise of the 'Area Approach'.
- The use of technology is encouraged to a large extent. The smartphone will be used to capture/upload the date of crop cutting. It will enable to reduce the delays in the payment of a claim to farmers. Remote sensing is used to reduce the experiments of crop cutting.

- The PMFBY is a replacement scheme for NAIS / MNAIS. So, it is exempted from the service tax liability of all the services involved in the scheme implementation.

IMPORTANT DOCUMENTS REQUIRED FOR PMFBY

Here is a rundown of all the documents required for the Pradhan Mantri Fasal Bima Yojana:

- Passport size photograph of the farmer
- Identity proof of the farmer (Aadhar card, PAN card, Voter ID, Driving license, or Passport)
- Address proof of the farmer (Aadhar card, Voter ID, Driving license, or Passport)
- If the field is owned by the farmer, the 'Khasra' paper and account number need to be kept together
- In case the crop is only sown in the field, evidence for the same need to be presented
- As evidence, the farmers should get a letter written from people such as Pradhan, Sarpanch, Goan Pradhan, Patwari, etc.

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steps involved in the claim process of the PMFBY scheme:

- First things first, the insured farmer should intimate the loss details immediately within 72 hours of the calamity either to the insurance company/concerned bank/local agriculture department, or district officials.
- The intimation should have all the details insured farmer such as the name, affected survey number-wise crop insured and acreage affected. Other details required are the farmer's application number as on NCIP, mobile number, KCC account number (in case of loanee farmer), or saving bank account (in case of the non-loanee farmer as declared at the time of applying for crop insurance) for identification and verification purpose.
- The premium payment verification is done from the portal. If required it may be verified by the bank. The bank mostly provides payment verification within the next 48 hours of receipt of any such request.
- The mobile application-based 'Crop Insurance App' is used for reporting an incidence of post-harvest providing details of longitude/latitude and pictures.
- Once the verification is duly completed, the claim benefits are provided electronically in the bank accounts of the insured farmer.

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