

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

RAJYA SABHA
UNSTARRED QUESTION NO-647
TO BE ANSWERED ON 08/12/2023

SHARING OF PREMIUM SUBSIDY UNDER PMFBY

647. SHRI NIRANJAN BISHI:

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

- (a) whether Government plans to revise the sharing of premium subsidy under PMFBY in 60:40 ratio;
- (b) if not, the reasons therefor;
- (c) whether Government is cognizant of the fact that State Government of Odisha has been bearing the cost of the farmer's share of the premium; and
- (d) if so, Government's plan to make the scheme more inclusive of farmers?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

(SHRI NARENDRA SINGH TOMAR)

(a) & (b) : Pradhan Mantri Fasal Bima Yojana (PMFBY) has been revamped and further revised with effect from Kharif 2020 and Kharif 2023 wherein the premium subsidy sharing pattern has been revised for North Eastern States and Himalayan States, from 50 : 50 to 90 : 10 between Central and State Governments respectively. The premium sharing pattern of remaining States/UTs is 50 : 50 subject to certain conditions. At present, there is no proposal to revise the subsidy sharing pattern between Centre and State for other States.

(c) & (d) : The PMFBY, introduced in the country from Kharif 2016 season, is voluntary for States and farmers. Comprehensive risk coverage for crops of farmers against all non-preventable natural risks from pre-sowing to post-harvest stages of the crops at very minimum premium for the farmers is provided under the scheme. Government has taken various measures like (a) increase in tenure to 3 years for selection of insurance company through bidding process; (b) introduction of three models (Profit and Loss Sharing, Cup and Cap (60-130), Cup and Cap (80-110) under which if no claim is made then a portion of the premium paid by the state will go into the state treasury itself; (c) infusion of improved technology – National Crop Insurance Portal (NCIP), Yield Estimation System based on Technology (YES-TECH), Weather Information Network and Data System (WINDS),

Collection of Real time Observations and Photographs of Crops (CROPIC), integration of State Land Records with NCIP, Digicclaim module on NCIP to work out and settle the claims directly to farmers account using Public Finance Management System (PFMS); (d) increased IEC activities etc. to improve the implementation of the scheme. Due to efforts made by the Government coverage under the scheme has been increasing year-on-year and farmers are subscribing to the scheme voluntarily rather than because of subscription of bank loans.

Based on the experience gained, views of various stakeholders and with a view to ensure better transparency, accountability, timely payment of claims to the farmers and to make the scheme more farmer friendly, Government has periodically revised the Operational Guidelines of the PMFBY comprehensively to ensure that the eligible benefits under the scheme reach the farmers timely and transparently.
