

**Pradhan Mantri Fasal Bima Yojana (PMFBY)** scheme was launched in India by Ministry of Agriculture & Farmers welfare, New Delhi from Kharif 2016 season onwards. National Insurance Company started participating in PMFBY from Rabi 2016 onwards and covered 8 States and 2 Union Territories during the past 5 seasons namely, Rabi 2016-17, Kharif & Rabi 2017 and Kharif & Rabi 2018 covering 70,27,637 farmers. Farmers share of premium is Rs. 453 crores and with subsidy from State/Central Govts RS.1909 Crores, gross Premium is Rs.2362 Crores for the 5 seasons together. Whilst the claims of Kharif 18 and Rabi 18 are under process, we have closed the first 3 seasons with a gross premium amount of Rs.1804 Crores collected from 35,22,616 farmers and claims to the tune of Rs.1703 crores were paid, by which 17,66,455 no of farmers benefited, which shows almost 50% of the farmers insured were benefitted.

Revised Operational Guidelines issued by Ministry of Agriculture & Farmers welfare, New Delhi are binding on all the stake holders which gives complete insight about the Scheme. Same can be downloaded from [www.pmfby.gov.in](http://www.pmfby.gov.in).

There are Two Schemes under the said operational Guidelines.

1. Pradhan Mantri Fasal Bima Yojana (PMFBY) – Elaborated here under.
2. Revised Weather Based Crop Insurance Scheme (RWBCIS) – Please refer to pmfby website for details

### **1. Objective of the Schemes**

Pradhan Mantri Fasal Bima Yojana (PMFBY) aims at supporting sustainable production in agriculture sector by way of

- Providing financial support to farmers suffering crop loss/damage arising out of unforeseen events
- Stabilizing the income of farmers to ensure their continuance in farming
- Encouraging farmers to adopt innovative and modern agricultural practices
- Ensuring flow of credit to the agriculture sector which will contribute to food security, crop diversification and enhancing growth and competitiveness of agriculture sector besides protecting farmers from production risks.

### **2.) Who can be covered?**

All farmers who have been sanctioned Seasonal Agricultural Operations (SAO) loans (Crop Loans) from Financial Institutions (FIs), i.e. loanee farmers, for the notified crop(s) season would be covered compulsorily.

The Scheme is optional for non-loanee farmers.

- The insurance coverage will strictly be equivalent to sum insured/hectare, as defined in the Govt. notification or /and on National Crop Insurance Portal multiplied by sown area for notified crop.

### **3.) How to enroll the farmers in the Scheme?**

Both Loanee and Non-Loanee farmers are to be enrolled in the National Crop Insurance Portal (NCIP) belong to Ministry of Agriculture & Farmers welfare, New Delhi. Banks who are lending Seasonal Crop Loans to the farmers are responsible to upload the data in the NCIP

In case of Non-loanee farmers, Intermediaries, Common Service Centers (CSCs), farmers on their own and other Agencies are to upload the data in the NCIP, along with the uploading 4 documents namely,.....

Premium must be paid by way of NEFT only and DD or Cheques are not accepted. Similarly offline applications for enrollment are not accepted as every application needs to be filled-in online.

### **4. Coverage of Crops**

- I. Food crops (Cereals, Millets and Pulses),
- II. Oilseeds
- III. Annual Commercial / Annual Horticultural crops.

In addition for perennial crops, pilots for coverage can be taken for those perennial horticultural crops for which standard methodology for yield estimation is available.

## 5. Rate of Premium to be paid by the farmer to Insurance Company

Type of Crop	Kharif	Rabi
Food grains including Cereals, Pulses and Oilseeds	2%	1.5 %
Annual Horticulture and Commercial Crops	5%	

After the Bidding process is finalized, if the premium rate quoted by the Insurance Company is higher than the above rates, the difference will be paid to the Insurance Company by State & GOI at 50% each in the form of premium subsidy. If such rate is less than the above rates, no subsidy is payable to the Insurance Company.

## 6. Coverage of Risks and Exclusions under PMFBY Scheme:

Following stages of the crop risks leading to crop loss are covered under the Scheme. Addition of new risks by the State Govt other than the one mentioned below, by the State Govt. is not permitted.

- Prevented Sowing/Planting/Germination Risk:** Insured area is prevented from sowing / planting / germination due to deficit rainfall or adverse seasonal/weather conditions. 25% of the sum insured will be paid and the Policy will be terminated.
- Standing Crop (Sowing to Harvesting):** Comprehensive risk insurance is provided to cover yield losses due to non-preventable risks, viz. Drought, Dry spell, Flood, Inundation, widespread Pests and Disease attack, Landslides, Fire due to natural causes ,Lightening, Storm, Hailstorm and Cyclone.
- Post-Harvest Losses:** Coverage is available only upto a maximum period of two weeks from harvesting, for those crops which are required to be dried in cut and spread / small bundled condition in the field after harvesting against specific perils of Hailstorm, Cyclone, Cyclonic rains and Unseasonal rains.
- Localized Calamities:** Loss/damage to notified insured crops resulting from occurrence of identified localized risks of Hailstorm, Landslide, Inundation, Cloud burst and Natural fire due to lightening affecting isolated farms in the notified area.
- Add-on coverage for crop loss due to attack by wild animals:** The States may consider providing add-on coverage for crop loss due to attack by wild animals wherever the risk is perceived to be substantial and is identifiable.

**General Exclusions:** Losses arising out of war and nuclear risks, malicious damage and other preventable risks shall be excluded.

## 7. How to intimate the claim?

Risks Covered	Provision of Indemnity/Claim	Intimation of Loss
<b>Prevented Sowing/ Planting / Germination Risk</b>	Prevented from sowing/ planting/germination (Area Based)	Applicable on area-based approach. Individual farmer need not to intimate. Loss to be estimated by state government based on the proxy indicators etc
<b>Mid-Season Adversity</b>	25% of likely claims as ad-hoc payment. (Area Based)	
<b>Post-Harvest Losses</b>	Up-to a maximum period of two weeks from harvesting, for those crops which are required to be dried in cut and spread / small bundled condition in the field after harvesting against specific perils of Hailstorm, Cyclone, Cyclonic rains and Unseasonal rains	Yield loss damage for localized calamities and post-harvest losses will be assessed on the basis of individual insured farm level and hence lodging of loss information by farmer/designated agencies is essential. Intimation may be given within 72 hours by farmer either directly to the insurance company, concerned bank, local agriculture department Govt. /district officials or through our toll free number (1800 200 7710) or on National Crop Insurance Portal. Additional 24 hours for agency/department to register with concerned insurance company
<b>Localized Calamities</b>	Loss/damage due to identified localized risks of Hailstorm, Landslide, Inundation, Cloud burst and Natural fire due to lightening affecting isolated farms in the notified area	

### Responsibility of the Farmers:

- Timely Information/claim lodging for damage of crops due to localized calamities and post-harvest losses.
- To ensure that the insured crop is same as the crop sown.

**Change of insured crops:** The change may be informed to KCC/ Crop-loan sanctioning bank branch immediately but not later than 2 days prior to cut off date for debit of premium/date of enrolment. This should be accompanied with sowing certificate.