

A Descriptive Study on PMFBY Insurance Schemes

Paresh T. Lalaiya¹, Dr. Sanjay R. Shinde²

¹Research Scholar, Government Arts & Commerce College, Ahwa, Dangs

²Supervising Teacher, Shri A. L. J. Patel and Shri D. J. Patel, Arts & Commerce College, Sarbhan, Bharuch

Abstract: Agriculture sector in India faces the risk of loss due to draughts, floods and other natural calamities and thereby it is imperative to protect farmers from any kind of loss and enable them to maintain their financial position for the next crop season. Agriculture and allied activities are of the most important sectors of Indian economy and accounts for nearly 16% of India's gross domestic product (GDP) and provides employment to about half of the workforce of the country. Realizing the importance of agriculture sector various schemes have been launched by government since independence in the interest of farmers of the country. The recently launched scheme is the Pradhan Mantri Fasal Bima Yojana (PMFBY), which is a kind of a "One nation - One scheme" launched in the year 2016. PMFBY provides a widespread insurance cover against failure of the crops and helps in stabilizing the income of the insured farmers. The present paper is an attempt to study the conceptual framework of the scheme and identifying the benefits of PMFBY in the country. It is a kind of descriptive research highlighting the peculiarities of the scheme and its prospective effects in the betterment of Indian farmers.

Keywords: Pradhan Mantri Fasal Bima Yojana (PMFBY)

1. Introduction

It is an undoubted fact that whatever is created will certainly be destroyed. Just like creation can be an act of either the "supreme power" or humans, destruction can also be an act of god or an act of human being, whether deliberate or accidental. Creation is inevitably followed by destruction. Risk is therefore present in life as well as to property. The basic purpose of insurance, whether it is life insurance or general insurance, is to protect the insured from a range of risks which are anticipated. The person who takes the protection for himself or for his property is called the insured or assured and the other person (basically a public limited company) who takes risk by promising to pay for the loss is called an insurer or assurer. There is a legal maxim of "quid pro quo" i. e. something in return and this arrangement between the insured and the insurer is based on a small consideration which is paid by the former to the latter called as the premium.

The above arrangement is known as the contract of insurance which can be defined as "a contract whereby one person, called the "insurer", undertakes, in return for the agreed consideration, called the "premium", to pay to another person, called the "insured", a sum of money or its equivalent on the happening of a specified event". The happening of the specified event must involve some loss to the insured which is called as the risk in the terminology of insurance.

General insurance is a mechanism of some people who are exposed to the same level of risks of suffering damage or destruction to their properties, that are likely to be caused by perils like accident, fire, flood earthquakes etc., coming together and agreeing to share the loss sustained by any one of the members. In other words the loss of the members is spread among all of them.

PMFBY is an innovative scheme for the benefits of farmers which come under the domain of general insurance sector of insurance industry. This scheme is implemented by

empanelled general insurance companies. Implementing Agency (IA) is selected by the respective State Government through the process of bidding. PMFBY is essential for farmers availing crop loan facility or opening Kisan Credit Card (KCC) account for notified crops. PMFBY is being administered by Ministry of Agriculture. PMFBY is a scheme which comes under the purview of general insurance sector of insurance industry.

2. Literature Review

The review is aimed at capturing the essence of recent investigations undertaken in the general insurance industry in India.

Suman Devi (2016) in her paper „Pradhan Mantri Fasal Bima Yojana - An Overview“ has highlighted the objectives of the scheme. The paper also points out the coverage of the farmers, implementing agency and talks about management and monitoring of the scheme. A short comparison has been made with earlier crop insurance schemes such as National Agricultural Insurance Scheme (NAIS). The scheme has been critically appraised on the facts that it does not cover the risk and loss caused by wild animals, nuclear risks, riots, theft etc. Challenges in the implementation have also been stated which may crop out because of problems like poor land records, flawed land titles, corruption and so on.

Indrajeet (2016) in his paper entitled „Study on the benefits of Fasal Bima Yojana for farmers“ has highlighted the need of crop insurance as an alternative to mitigate the risk of yield loss by the farmers in the country. The author has pointed out the benefits of PMFBY in terms of rate of premium, insurance coverage and post - harvest losses. The researcher has also pointed out that the scheme will increase the insurance penetration in the agricultural sector leading to higher productivity and prosperity.

Rajesh K. Yadav and Sarvesh Mohania (2017) found Claim settlement need to be as per requirement of the customers, so that at the time of need, no customer should be

suffered due complexity of the claim settlement process. Faster claim settlement reduces the cost of processing any claim whereas multiple stages in the process should be avoided since it increases the cost of claim settlement. For increasing the speed, policyholders should be provided proper information on regular bases. Pradhan Mantri Suraksha Bima Yojana (PMSBY) is focused to provide insurance coverage for death due to accident to all the citizen of India especially unorganized sector workers with motto of “Jan - Dan se Jan Suraksha”. Under Pradhan Mantri Jan Dhan Yojana existing channels of banking industry is very well utilized and still there is good scope for innovation and marketability. Through all these schemes Government of India is planning to secure life for the poor people, they also know that the mortality rate is very high especially unorganized sector workers due to not able to maintain a healthy life. Pradhan Mantri Suraksha Bima Yojana (PMSBY) claim settlement is effective due to its flexibility, throughout easy and clear process, highly reliable and economical service. But due to its limited awareness in policyholder, coverage, existing competition and lack of investor’s interest, act as barriers in the success road of the scheme.

Ashalatha G. S and Dr. M. Prabhu (2017) identify the two major problems and they are on line registration and assessment of risk /settling of claims. Due to lack of awareness among the farmers the facility given by the government of India with a sole objective of supporting sustainable production in agriculture sector by providing financial support to farmers suffering crop loss due to any natural calamities will not be achieved. The finding shows that the PMFBY will not be successful unless the policy makers change the method of settling the claims. The study concludes with the statement that the poverty and indebtedness of the farmers of the district can be eradicated through this scheme by inducing the growth of agriculture if the scheme is properly implemented.

Bharat Singh Ghanghas (2018) in his paper entitled „Awareness of Pradhan Mantri Fasal Bima Yojana among Farmers of Haryana State“ has highlighted that approximately 70% of the farmers were having general information including premium related information about PMFBY. Regarding seasonality, about 40.23% of the farmers were aware and about 34.43% were having information about the risk coverage of the scheme. The researcher has pointed that reason behind high awareness on general and premium related information may be because of compulsory proposals for loanee farmers. As per the research paper, about 93.33% of the farmers took the compulsory proposal for loanee farmers while only 6.67% adopted it on voluntary basis.

Ranjan Kumar Ghosh (2018) in his project entitled Performance Evaluation of Pradhan Mantri Fasal Bima Yojana (PMFBY) has depicted the implementation status of PMFBY in the country and has also evaluated its performance in selected states. The researcher has also pointed out hurdles in the governance of PMBFY. The researcher recommended that efforts are required to be made to spread awareness regarding PMFBY and its benefits at the happening of loss of crops due to natural calamities. The

researcher pointed out that village panchayats should be actively involved in spreading awareness about the scheme.

Ruchbah Rai (2019) in his paper entitled Pradhan Mantri Fasal Bima Yojana: An Assessment of India’s Crop Insurance Schemehas pointed out that although PMFBY being a transformative scheme of its kind has various issues in its execution at state and district level. The researcher has indicated problems in the structure of the scheme along with financial issues. The recommendations of the researcher include increase in funds for rural infrastructure development and use of information technology in implementation of the scheme. The paper also focuses to ensure strict compliance of the scheme with regard to claim settlement to ensure adequate and timely compensation to farmers.

3. Profiles of PMFBY

Pradhan Mantri Fasal Bima Yojana (PMFBY)

To help farmers cope with crop losses, the Government of India launched its flagship scheme Pradhan Mantri Fasal Bima Yojana (PMFBY), starting from the Kharif season of 2016. PMFBY replaced the National Agricultural Insurance Scheme (NAIS) and Modified National Agricultural Insurance Scheme (MNAIS). The Weather - Based Crop Insurance Scheme (WBCIS) remains in place, though its premium rates have been made the same as in PMFBY. State governments have the authority to decide whether they want PMFBY, WBCIS or both in their respective states. PMFBY is an improvement over NAIS and MNAIS and is designed to reduce the burden of crop insurance on farmers. The scheme came into operation from 1 April 2016 with a Central government budget allocation of Rs 5, 500 crore for 2016–17. Further, the Central government plans to bring 40 per cent of agricultural area under PMFBY in 2017–18 and, accordingly, a provision of Rs 9, 000 crore has been made in the 2017–18 budget.

Pradhan Mantri Fasal Bima Yojana was launched on 13 January 2016. The timing of the launch perfect – this new crop insurance scheme for the country’s farmers has been launched just ahead of Makar Sankranti - one of the main harvest festivals celebrated in India (also celebrated as Lohari and Pongal in some parts of the contry). Government has launched a number of welfare scheme that promise banking, pension, employment and insurance to the poor people of the country.

Pradhan Mantri Fasal Bima Yojana Objective:

- To provide insurance coverage and financial support to the farmers in the event of failure of any of the notified crop as a result of natural calamities, pests & diseases.
- To stabilize the income of farmers to ensure their continuance in farming.
- To encourage farmers to adopt innovative and modern agricultural practices.
- To ensure flow of credit to the agriculture sector.

Coverage of Farmers:

All farmers including sharecroppers and tenant farmers growing the notified crops in the notified areas are eligible for coverage. However, farmers should have insurable

interest for the notified/insured crops. The non - loan farmers are required to submit necessary documentary evidence of land records prevailing in the State (Records of Right (RoR), Land possession Certificate (LPC) etc.) and/ or applicable contract/ agreement details/ other documents notified/ permitted by concerned State Govt. in case of sharecroppers/tenant farmers and the same should be defined by the respective States in the notification itself.

The government during the launch of the Pradhan Mantri Krishi Sinchai Yojana (A scheme meant to improve irrigation and water conservation in the country's rural regions and farms) had noted that working towards the improvement of the employed people in the country. The security and wellbeing of farmers is thus of prime importance to the progress of the country.

Crop insurance is an inevitable insurance cover to be purchased by farmers and agricultural producers to guard against the loss of crops due to natural disasters. It ensures the farmers stability of income and acts as a tool to manage their yield. The PMFBY Scheme is in line with the theme of One Nation – One Scheme. It incorporates the best features of the previous schemes and also overcoming the previously existing short comings. Creating and enhancing awareness and knowledge of farmers on the new scheme would help popularizing the scheme among farming community.

Features of the new scheme:

- 1) Sum Insured
- 2) Premium Rates
- 3) Estimation of Crop Yield
- 4) Use of modern technology
- 5) Role of Private players
- 6) Time frame for loss assessment
- 7) Timely release of premium subsidy to Insurance Companies
- 8) Publicity and awareness

Pradhan Mantri Fasal Bima Yojana (PMFBY) is the government - sponsored crop insurance scheme that integrates multiple stakeholders on a single platform. It was supposed to provide a breakthrough by enhancing the coverage of the crop insurance and protect the farmers from the vagaries of the monsoon. Under the scheme, there is a uniform premium of 2% to be paid by farmers for all Kharif crops, 1.5% for all Rabi crops and 5% in case of annual commercial and horticultural crops. The balance premium would be paid by the government. The scheme is being implemented in an area - based approach.

The Government has launched a new crop insurance scheme by rectifying the loopholes from the existing one. On 13 January 2016, Prime Minister launched the new scheme, namely Pradhan Mantri Fasal Bima Yojana (PMFBY), a uniform 'one nation - one scheme' type crop insurance scheme for the entire country that promised to change the face of the agricultural insurance sector in the country. Under this new crop insurance plan, the premium rates will be discounted from the existing rates for all types of the crop like Kharif crops, Rabi crops, horticulture crops and

commercial crops. For PMFBY, the premium is 2% of the sum insured for Kharif season crops and 1.5% for Rabi season crops. The rates are also applicable for oilseeds. The premium rates for commercial crops like cotton and other horticultural crops will be 5% of the insurance sum assured.

4. Research Methodology

4.1 Objectives of the study

To study the current status and recent progress of PMFBY Insurance Schemes in India.

4.2 Period of the study

This study covers the period 2016 - 17 TO 2019 - 20

4.3 Area of the study

This study covers all the states of India.

4.4 Sources of data

This research paper is based on descriptive study. Identification of insurance schemes for the purpose of the study was gathered from the reports of the Ministry. Secondary data and information are collected from the concerned Ministries, websites, magazines, newspapers, journals and past research papers.

4.5 Nature of data

As the study is descriptive in nature, secondary data have been employed to accomplish the objectives of present study.

4.6 Limitations of the study

There are different Central Government schemes, but the present study restricted itself PMFBY.

4.7 Scope of the study

The study is limited to the general insurance schemes namely PMFBY only. The research will help us to know the impact and implementation of Prime Minister's insurance schemes. The scope of the study is to provide an insight view of the Pradhan Mantri Fasal Bima Yojana product to the common people and help them to make realize the benefits and importance of Schemes in their lives. The study will have undertaken in all state in India. The main focus of the study will be on the market share, services, policies benefits, premium, and terms which have created awareness in the minds of Indian public about the importance of the two insurance schemes. The similar study will be conducted on the basis of different village of the different state of India.

5. Results and Discussion

The following table depicts the position of state wise beneficiaries under the PMFBY in the year of 2016 - 17

State/UT name	Farmers	Area	Sum	Farmers Share	Gross	Reported	Paid Claims	Farmer Applications
---------------	---------	------	-----	---------------	-------	----------	-------------	---------------------

	Applications Insured (Lakh)	Insured (Lakh)	Insured (Crore)	in Premium (Crore)	Premium (Crore)	Claims (Crore)	(Crore)	Benefitted (Lakh)
A & N Islands	0.003	0.003	0.47	0.002	0.02	0.15	0.15	0.003
Andhra Pradesh	17.757	15.599	8, 648.25	199.846	803.59	943.77	943.77	8.987
Assam	0.603	0.418	244.79	4.971	8.64	5.37	5.37	0.236
Bihar	27.142	24.841	11, 805.40	204.588	1, 416.04	347.85	347.85	2.161
Chhattisgarh	15.491	21.621	6, 458.22	121.671	289.25	159.97	159.97	1.377
Goa	0.008	0.005	5.80	0.068	0.07	0.03	0.03	0.001
Gujarat	19.799	30.206	12, 016.65	243.193	2, 274.62	1, 267.22	1, 267.22	6.800
Haryana	13.362	20.852	11, 785.75	196.528	363.42	296.94	296.94	2.245
Himachal Pradesh	3.799	1.294	929.15	31.097	71.63	45.18	45.18	1.004
Jammu & Kashmir	-	-	-	-	-	-	-	-
Jharkhand	8.793	3.718	2, 002.21	39.630	271.41	31.09	31.09	0.598
Karnataka	29.465	24.781	9, 369.41	235.188	1, 344.56	2, 093.83	2, 093.83	19.013
Kerala	0.774	0.531	332.48	7.210	33.14	43.74	43.73	0.551
Madhya Pradesh	74.608	120.928	36, 897.20	723.948	3, 777.97	2, 043.88	2, 043.88	13.820
Maharashtra	118.838	71.322	24, 019.94	682.594	4, 596.45	2, 317.90	2, 317.90	29.294
Manipur	0.084	0.091	36.94	0.739	3.59	1.96	1.96	0.084
Meghalaya	0.001	0.000	0.47	0.013	0.04	0.03	0.03	0.000
Odisha	18.202	13.187	7, 262.35	142.625	539.08	432.74	432.74	1.688
Pondicherry	0.085	0.074	33.99	0.225	2.88	7.55	7.55	0.043
Rajasthan	93.557	104.847	17, 909.30	377.388	2, 564.29	1, 917.45	1, 917.45	29.010
Sikkim	0.006	0.001	0.46	0.007	0.01	0.11	0.11	0.002
Tamil Nadu	14.625	12.098	6, 058.54	106.730	1, 101.40	3, 648.15	3, 648.15	12.922
Telangana	9.741	8.240	5, 185.03	96.514	274.87	179.60	179.60	2.250
Tripura	0.118	0.028	17.64	0.292	0.39	0.71	0.71	0.037
Uttar Pradesh	72.893	65.115	29, 097.16	529.389	1, 170.68	574.58	574.58	11.879
Uttarakhand	2.616	1.324	921.39	19.561	41.59	27.47	27.47	0.618
West Bengal	41.333	19.955	12, 071.41	113.541	704.16	421.69	421.69	11.903
GRAND TOTAL	583.7	561.1	203, 110	4, 078	21, 654	16, 809	16, 809	156.5

In the FY 2016 - 17, the total area of both Kharif and Rabi crops covered under the scheme was about 561.10 lakh hectares. The gross premium collected from the farmers under the scheme was Rs.4, 078.00 Crores. The gross direct premium collected by all general insurance companies in the year 2016 - 17 within and outside India was Rs.21, 654.00

crores. Out of Rs.16, 809.00 Crores of the finalized claims from the insurers, Rs.16, 809.00 Crores was paid to the beneficiaries. The table also shows that about 583.70 Lakhs farmers Insured and covered under the scheme and about 156.50 lakhs were benefitted from the scheme.

The following table depicts the position of state wise beneficiaries under the PMFBY in the year of 2017 - 18

State/UT name	Farmers Applications Insured (Lakh)	Area Insured (Lakh)	Sum Insured (Crore)	Farmers Share in Premium (Crore)	Gross Premium (Crore)	Reported Claims (Crore)	Paid Claims (Crore)	Farmer Applications Benefitted (Lakh)
A & N Islands	0.004	0.002	0.47	0.002	0.03	-	-	-
Andhra Pradesh	18.317	20.666	10, 798.25	248.760	1, 272.08	743.86	740.18	7.149
Assam	0.553	0.412	252.79	5.146	11.90	1.18	1.18	0.022
Bihar	23.031	21.247	9, 943.70	179.328	1, 028.82	401.52	401.52	2.184
Chhattisgarh	14.743	21.220	6, 895.99	132.897	361.88	1, 391.40	1, 391.40	6.587
Goa	0.005	0.004	4.46	0.048	0.05	0.01	0.01	0.000
Gujarat	17.628	25.479	11, 975.45	385.721	3, 014.27	1, 076.75	1, 075.83	3.898
Haryana	13.417	19.074	12, 086.41	207.778	452.08	895.98	895.98	3.248
Himachal Pradesh	3.817	1.107	769.94	30.505	77.51	64.71	64.71	1.470
Jammu & Kashmir	1.590	1.493	500.14	8.830	40.53	9.84	9.84	0.189
Jharkhand	11.955	2.902	1, 495.20	28.262	211.93	47.21	47.21	1.392
Karnataka	20.855	18.062	8, 723.24	234.633	1, 830.52	856.84	856.84	6.193
Kerala	0.559	0.479	301.33	6.335	25.89	10.96	10.96	0.381
Madhya Pradesh	70.280	118.171	42, 055.79	795.735	4, 663.15	5, 879.88	5, 879.88	24.721
Maharashtra	102.746	57.761	19, 460.96	508.943	4, 255.14	3, 293.81	3, 292.50	53.815
Manipur	0.091	0.187	49.77	0.747	1.94	0.67	0.67	0.036
Meghalaya	0.031	0.013	18.40	0.553	0.69	0.02	0.02	0.000
Odisha	18.947	13.536	7, 326.06	145.274	820.42	1, 820.13	1, 818.55	7.533
Pondicherry	-	-	-	-	-	-	-	-
Rajasthan	91.093	100.389	23, 528.03	502.063	2, 704.22	2, 242.38	2, 242.38	31.429
Sikkim	0.015	0.003	2.94	0.064	0.06	0.04	0.04	0.001
Tamil Nadu	15.091	10.912	6, 598.64	119.680	1, 185.88	2, 058.79	2, 057.27	10.109
Telangana	10.966	10.526	7, 305.14	188.893	677.87	648.50	648.50	4.402
Tripura	0.117	0.030	21.14	0.593	0.74	1.00	1.00	0.027

Uttar Pradesh	54.210	46.136	20, 196.88	375.417	1, 322.06	380.87	380.87	5.848
Uttarakhand	2.224	1.176	859.67	18.813	67.84	39.45	39.45	0.703
West Bengal	40.384	16.720	11, 110.78	79.043	642.16	261.59	261.11	5.505
GRAND TOTAL	532.7	507.7	202, 282	4, 204	24, 670	22, 127	22, 118	176.8

In the FY 2017 - 18, the total area of both Kharif and Rabi crops covered under the scheme was about 507.70 lakh hectares. The gross premium collected from the farmers under the scheme was Rs.4, 204.00 Crores. The gross direct premium collected by all general insurance companies in the year 2017 - 18 within and outside India was Rs.24, 670.00

crores. Out of Rs.22, 127.00 Crores of the finalized claims from the insurers, Rs.22, 118.00 Crores was paid to the beneficiaries. The table also shows that about 532.70 Lakhs farmers Insured and covered under the scheme and about 176.80 lakhs were benefitted from the scheme.

The following table depicts the position of state wise beneficiaries under the PMFBY in the year of 2018 - 19

State/UT name	Farmers Applications Insured (Lakh)	Area Insured (Lakh)	Sum Insured (Crore)	Farmers Share in Premium (Crore)	Gross Premium (Crore)	Reported Claims (Crore)	Paid Claims (Crore)	Farmer Applications Benefitted (Lakh)
A & N Islands	0.007	0.006	2.69	0.013	0.24	0.09	0.01	0.000
Andhra Pradesh	24.447	18.891	11, 291.80	261.780	1, 094.02	1, 890.05	1, 885.76	16.167
Assam	0.740	0.491	316.44	2.038	13.22	2.79	2.79	0.080
Bihar	-	-	-	-	-	-	-	-
Chhattisgarh	15.703	22.746	7, 869.38	160.878	888.95	1, 087.56	1, 087.56	6.564
Goa	0.003	0.003	3.25	0.033	0.03	0.10	0.10	0.000
Gujarat	21.710	26.112	13, 676.83	402.563	3, 141.39	2, 778.08	2, 777.89	13.925
Haryana	14.425	20.549	13, 742.45	237.963	856.46	946.79	944.89	4.223
Himachal Pradesh	2.690	0.900	725.44	29.724	79.43	55.00	55.00	1.272
Jammu & Kashmir	1.537	1.106	1, 365.61	16.909	76.67	26.24	26.24	0.197
Jharkhand	12.935	6.295	3, 496.70	20.122	397.39	684.93	21.11	0.577
Karnataka	19.882	22.380	9, 696.71	272.568	1, 855.59	2, 947.50	2, 946.94	13.834
Kerala	0.570	0.432	315.83	6.153	35.92	26.74	26.74	0.402
Madhya Pradesh	74.210	129.302	47, 346.74	920.904	5, 494.60	3, 777.21	3, 776.74	22.630
Maharashtra	148.343	90.650	30, 352.17	791.667	6, 117.10	6, 069.36	6, 063.04	81.534
Manipur	0.015	0.008	5.22	0.104	0.21	0.00	0.00	0.000
Meghalaya	0.009	0.009	4.42	0.103	0.14	0.22	0.22	0.004
Odisha	20.985	14.854	8, 740.84	172.659	1, 121.50	1, 169.97	1, 169.97	6.579
Pondicherry	0.101	0.081	46.65	-	2.69	0.45	0.45	0.005
Rajasthan	71.793	77.568	29, 381.83	616.900	3, 621.10	3, 466.65	3, 466.65	20.929
Sikkim	0.002	0.001	1.14	0.027	0.03	0.00	0.00	0.000
Tamil Nadu	24.644	13.394	8, 250.83	148.724	1, 469.43	2, 656.32	2, 656.32	18.938
Telangana	7.991	9.920	6, 185.04	155.998	545.55	587.31	148.90	0.588
Tripura	0.021	0.003	2.06	0.048	0.09	0.02	0.02	0.002
Uttar Pradesh	61.270	51.343	21, 887.96	399.869	1, 418.86	469.16	469.16	6.255
Uttarakhand	1.928	1.089	866.09	20.993	75.06	72.38	72.38	0.849
West Bengal	51.274	17.678	14, 024.29	134.375	730.47	535.52	529.92	7.088
GRAND TOTAL	577.2	525.8	229, 598	4, 773	29, 036	29, 250	28, 129	222.6

In the FY 2018 - 19, the total area of both Kharif and Rabi crops covered under the scheme was about 525.80 lakh hectares. The gross premium collected from the farmers under the scheme was Rs.4, 773.00 Crores. The gross direct premium collected by all general insurance companies in the year 2018 - 19 within and outside India was Rs.29, 036.00

crores. Out of Rs.29, 250.00 Crores of the finalized claims from the insurers, Rs.28, 129.00 Crores was paid to the beneficiaries. The table also shows that about 577.20 Lakhs farmers Insured and covered under the scheme and about 222.60 lakhs were benefitted from the scheme.

The following table depicts the position of state wise beneficiaries under the PMFBY in the year of 2019 - 20

State/UT name	Farmers Applications Insured (Lakh)	Area Insured (Lakh)	Sum Insured (Crore)	Farmers Share in Premium (Crore)	Gross Premium (Crore)	Reported Claims (Crore)	Paid Claims (Crore)	Farmer Applications Benefitted (Lakh)
A & N Islands	0.001	0.001	0.32	0.002	0.03	0.00	-	-
Andhra Pradesh	27.884	19.873	15, 031.92	0.172	1, 474.73	1, 259.01	1, 254.03	13.533
Assam	10.027	5.615	4, 033.73	57.099	142.44	17.27	-	-
Bihar	-	-	-	-	-	-	-	-
Chhattisgarh	40.177	24.346	9, 032.42	180.861	1, 245.79	1, 314.60	1, 296.59	15.025
Goa	0.009	0.001	0.96	0.022	0.04	0.01	0.01	0.001
Gujarat	24.810	29.438	16, 143.17	467.959	3, 614.98	354.89	111.67	0.927
Haryana	17.111	22.505	15, 132.97	268.803	1, 221.72	932.26	927.45	5.552
Himachal Pradesh	2.840	0.941	746.68	30.711	83.07	64.60	58.01	1.505
Jammu & Kashmir	-	-	-	-	-	-	-	-

Jharkhand	10.921	6.451	3, 739.05	2.792	356.02	25.46	-	-
Karnataka	21.316	21.668	9, 830.01	253.480	2, 276.33	1, 357.79	1, 215.35	6.869
Kerala	0.581	0.372	307.80	6.117	72.50	85.90	85.90	0.457
Madhya Pradesh	78.929	112.682	32, 030.72	629.279	3, 758.65	5, 905.48	5, 811.75	30.546
Maharashtra	145.642	79.223	30, 282.21	868.432	6, 353.77	6, 755.92	6, 747.05	87.895
Manipur	0.033	0.026	17.34	0.347	1.26	1.14	1.14	0.032
Meghalaya	0.006	0.003	2.31	0.086	0.09	0.18	0.18	0.005
Odisha	48.769	18.688	12, 197.35	241.876	2, 132.85	1, 177.91	1, 139.48	12.078
Pondicherry	0.120	0.092	62.30	-	4.18	7.16	-	-
Rajasthan	85.260	96.935	34, 909.48	734.677	5, 060.10	4, 920.44	4, 920.31	25.574
Sikkim	0.000	0.000	0.08	0.002	0.00	-	-	-
Tamil Nadu	38.705	14.072	9, 329.88	168.419	1, 923.39	1, 090.13	1, 056.84	13.213
Telangana	10.335	11.347	8, 459.17	239.487	880.75	402.28	-	-
Tripura	0.364	0.061	37.17	0.756	1.07	0.81	0.80	0.077
Uttar Pradesh	46.947	35.572	16, 743.95	321.955	1, 304.82	1, 116.75	1, 092.74	9.343
Uttarakhand	2.127	1.135	968.53	28.208	113.71	103.18	103.17	0.949
West Bengal	-	-	-	-	-	-	-	-
GRAND TOTAL	612.9	501.0	219, 040	4, 502	32, 022	26, 893	25, 822	223.6

In the FY 2019 - 20, the total area of both Kharif and Rabi crops covered under the scheme was about 501.00 lakh hectares. The gross premium collected from the farmers under the scheme was Rs.4, 502.00 Crores. The gross direct premium collected by all general insurance companies in the year 2019 - 20 within and outside India was Rs.32, 022.00 crores. Out of Rs.26, 893.00 Crores of the finalized claims from the insurers, Rs.25, 822.00 Crores was paid to the beneficiaries. The table also shows that about 612.90 Lakhs farmers Insured and covered under the scheme and about 223.60 lakhs were benefitted from the scheme.

6. Conclusion and Suggestions

5.1 Findings

An efficient crop insurance scheme is very much imperative to compensate the income loss of farmers due to various natural and man - made disasters and financing of inputs for agricultural production. Crop insurance is crucial for security of farmers which in turn will lead to a boost in the agricultural sector of the economy. The said scheme PMFBY will definitely benefit the farmers with low premium rates and wide coverage of insurance crops. The scheme also provides coverage to the post - harvest losses which was not fully covered in the erstwhile schemes.

5.2 Recommendations & Suggestions

A comparative study reveals that the PMFBY is undoubtedly a better scheme so far as compared to the earlier ones in the field of crop insurance. But, in a country like India, designing and launching a scheme like PMFBY is not an ultimate end in the betterment of farmers of the country. The fruits of the scheme can be harvested on its successful implementation only. The existing and unaddressed problems in the field of agriculture such as flawed land titles, poor land records and corruption in disposal of claims are some of the familiar challenges that are present since a long time and will create hurdles in successful implementation of the said scheme.

7. Conclusion

This paper reveals that Government of India introduced several agricultural schemes so that there is a greater achievement of development and welfare of Indian farmers. Most of these schemes were reached. Their target but still there are some of the agricultural schemes yet to be accomplished their goals. There is a proper way to implement these agricultural schemes so that the productive sector will get the benefits. Through small finance banks also financial inclusion is possible. This research paper provides awareness about agricultural schemes and farmers can improve the economic growth of them that the way for the achievement of financial inclusion in the country. Therefore, strict monitoring and supervision of the scheme is required on the part of the government enabling each and every corner of the farmers community to take the benefit of the said scheme in fullest sense.

References

- [1] Suman Devi Pradhan Mantri Fasal Bima Yojana - An Overview" Volume: 5 | Issue: 8 | August 2016 • ISSN No 2277 - 8179 | IF: 3.508 | IC Value: 69.48
- [2] Inderjeet (2016), „Study on the benefits of Fasal Bima Yojana for farmers“
- [3] Rajesh K. Yadav and Sarvesh Mohania (2017) Claim settlement of Pradhan Mantri Suraksha Bima Yojana under Pradhan Mantri Jan Dhan Yojana; World Scientific news; WSN 65 (2017) 123 - 134; EISSN 2392 - 2192. www.worldscientificnews.com
- [4] Ashalatha. G. S and Dr. M. Prabhu (2017) Pradhan Mantri Fasal bima yojana (PMFBY) International Journal of Economic and Business Review; Volume - 5, Issue - 12, December 2017; e - ISSN: 2347 - 9671| p - ISSN: 2349 - 0187.
- [5] Ghanghas, Bharat Singh (2018), „Awareness of Pradhan Mantri Fasal Bima Yojana among Farmers of Haryana State“
- [6] Ghosh, Ranjan Kumar (2018), „Performance Evaluation of Pradhan Mantri Fasal Bima Yojana (PMFBY) “, Part I, Centre for Management in Agriculture, IIM - A.

- [7] Rai, Ruchbah (2019), „Pradhan Mantri Fasal Bima Yojana: An Assessment of India’s Crop Insurance Scheme“, Observer Research Foundation.
- [8] Handbook on Indian Insurance Statistics 2016 - 17 published by IRDAI.
- [9] Handbook on Indian Insurance Statistics 2017 - 18 published by IRDAI.
- [10] Handbook on Indian Insurance Statistics 2018 - 19 published by IRDAI.
- [11] Handbook on Indian Insurance Statistics 2019 - 20 published by IRDAI.
- [12] <https://pmfby.gov.in>
- [13] <https://financialservices.gov.in>
- [14] <https://data.gov.in>