



PRESS INFORMATION BUREAU
(Research Unit)
Ministry of Information and Broadcasting
Government of India



Pradhan Mantri Fasal Bima Yojana (PMFBY): ‘Fasal Bima for Safal Kisan’

All 75 Uttar Pradesh districts being covered for Kharif 2021/Rabi 2020 season

(Ministry of Agriculture and Farmers Welfare)

December 20, 2021

“Pradhan Mantri Fasal Bima Yojana is continuously playing an important role in protecting the economic interests of the hardworking farmers by reducing the risk associated with weather uncertainties. Crores of farmers are availing the benefits of this farmer-friendly insurance scheme today.”¹

- **Prime Minister Narendra Modi**

Pradhan Mantri Fasal Bima Yojana: An Overview

The Government of India took a historic step towards strengthening risk coverage of crops for farmers of India and approved the flagship crop insurance scheme - the [Pradhan Mantri Fasal Bima Yojana](#) (PMFBY) on [13 January 2016](#).²

Now in its sixth year of implementation, PMFBY aims at providing financial support to farmers suffering crop loss/damage arising out of natural calamities like hailstorm, drought, floods, cyclones, heavy and unseasonal rains, attack of disease and pests etc. The scheme is the third largest crop insurance scheme in the world in terms of premium. PMFBY has been implemented in 27 States and Union Territories. The scheme envisages to cover maximum number of farmers in the ambit of crop insurance by providing comprehensive risk coverage from pre-sowing to post-harvest losses. The scheme offers very low premium rates for farmers to participate in the scheme.³

¹https://www.pmindia.gov.in/en/news_updates/pm-writes-to-a-farmer-on-crop-insurance-scheme/?comment=disable

²<https://pib.gov.in/PressReleasePage.aspx?PRID=1687913>

³https://static.mygov.in/rest/s3fs-public/mygov_162764394455063671.pdf

Ministry of Information and Broadcasting
Government of India

5 Successful years of Pradhan Mantri Fasal Bima Yojana

#FasalBima4SafalKisan

- Providing **insurance coverage/ financial support** to farmers suffering crop loss/damage
- Stabilizing the **income of farmers**
- Encouraging farmers to adopt **innovative and modern** agricultural practices
- Ensuring **flow of credit** to the agriculture sector
- Enhancing **growth and competitiveness** of agriculture sector

/COVIDNewsByMIB /MIB_India /MIB_Hindi /inbministry /inbministry /mib_india

Narendra Modi @narendramodi

An important initiative to secure hardworking farmers from the vagaries of nature, PM Fasal Bima Yojana completes 5 years today. The Yojana has increased coverage, mitigated risk & benefitted crores of farmers. I congratulate all beneficiaries of the scheme.

[#FasalBima4SafalKisan](#)

11:04 AM · Jan 13, 2021 · Twitter for iPhone

PMO India @PMOIndia

PM Fasal Bima Yojana is very closely associated with the farmers. This scheme come into being after wide ranging consultations: PM

PMFBY: OBJECTIVES⁴

The 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.

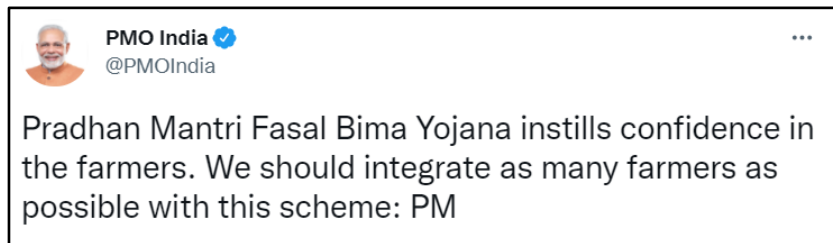
PMFBY: SALIENT FEATURES⁵

1. Provides comprehensive insurance coverage against crop loss on account of non-preventable natural risks, thus helping in stabilizing the income of the farmers and encouraging them to adopt innovative practices.

⁴<https://static.pib.gov.in/WriteReadData/specificdocs/documents/2021/dec/doc202112701.pdf>

⁵<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1738233>

2. Increased risk coverage of crop cycle : pre-sowing to post-harvest losses
3. Area-approach for settlement of claims for widespread damage. Notified Insurance unit has been reduced to Village/Village Panchayat for major crops.
4. Actuarial/bidder premium but uniform maximum premium of only 2 per cent, 1.5 per cent and 5 per cent to be paid by farmers for all Kharif crops, Rabi Crops and Commercial/ horticultural crops respectively. Premium over and above these limits is shared by the Central and State Governments on 50:50 basis, except in the North-Eastern Region where it is 90:10.
5. The difference between premium and the rate of Insurance charges payable by farmers is provided as subsidy and shared equally by the Centre and State.



[Source](#)

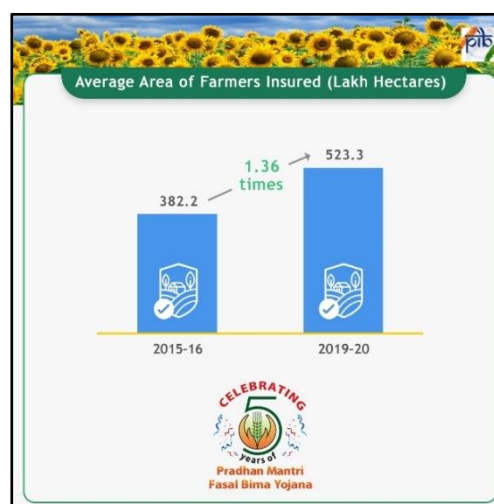
6. Uniform seasonality discipline & Sum Insured for both loanee & non-loanee farmers.
7. Removal of the provision of capping on premium which led to reduction in Sum Insured to facilitate farmers to get claim against full sum insured without any reduction.
8. Individual farm level assessment and settlement of claims for localized calamities of hailstorm, landslide, inundation, cloud burst and natural fire; and post-harvest losses due to cyclone, cyclonic/unseasonal rains and hailstorm for the crops kept in the field for drying up to a period of 14 days throughout the country.
9. Provision of claims up to 25 per cent of Sum Insured for prevented sowing.
10. "On-Account payment" up to 25 per cent of sum insured for mid-season adversity, if the crop damage is reported more than 50 per cent in the insurance unit. Remaining claims based on Crop Cutting Experiments (CCEs) data.

11. Use of Remote Sensing Technology, Smartphones & Drones for quick estimation of crop losses to ensure early settlement of claims.
12. National Crop Insurance Portal (NCIP) has been developed for ensuring better administration, co-ordination, transparency, dissemination of information and delivery of services including crediting the claim amount electronically to the individual farmer's Bank Account. Through NCIP and [Crop Insurance App](#), farmers can track their crop insurance and get all information about it.⁶
13. Focused attention on increasing awareness about the schemes among all stakeholders and appropriate provisioning of resources for the same.
14. Making the scheme voluntary for all farmers instead of compulsory for loanee farmers.

ACHIEVEMENTS ACROSS THE COUNTRY

Government of India has allocated Rs. 16000 crores for PMFBY for the fiscal year 2021-22. This is a budgetary increase of around Rs. 305 crores as against the previous fiscal year 2020-21, which reiterates the government's commitment towards growth of agriculture sector in the country.⁷

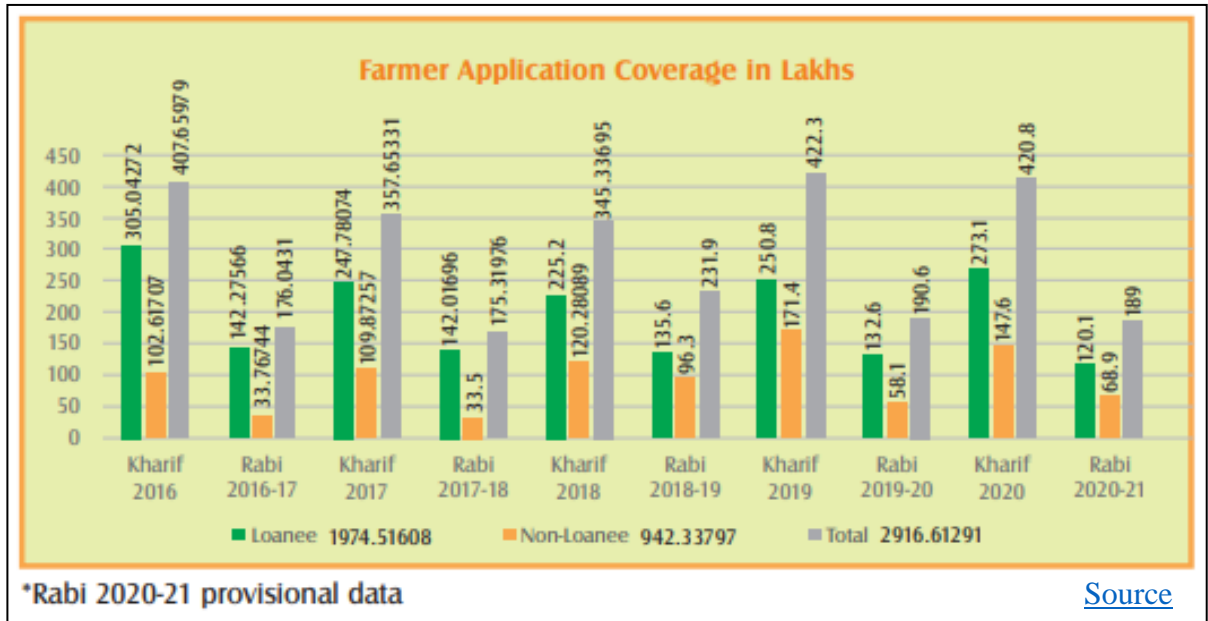
- Over 29 crore farmer applications have been approved during the five years of implementation of the scheme. From Kharif 2016 till Rabi 2020-21, a total of 29.16 Crore farmer applications have been approved under the scheme. This comprises of 68 per cent loanee farmer applications (19.74 Crore) and 32 per cent non-loanee farmer applications (9.42 Crore).⁸



⁶ <https://pib.gov.in/PressReleaseframePage.aspx?PRID=1740826>

⁷ <https://pib.gov.in/PressReleasePage.aspx?PRID=1695990>

⁸ https://static.mygov.in/rest/s3fs-public/mygov_162764394455063671.pdf

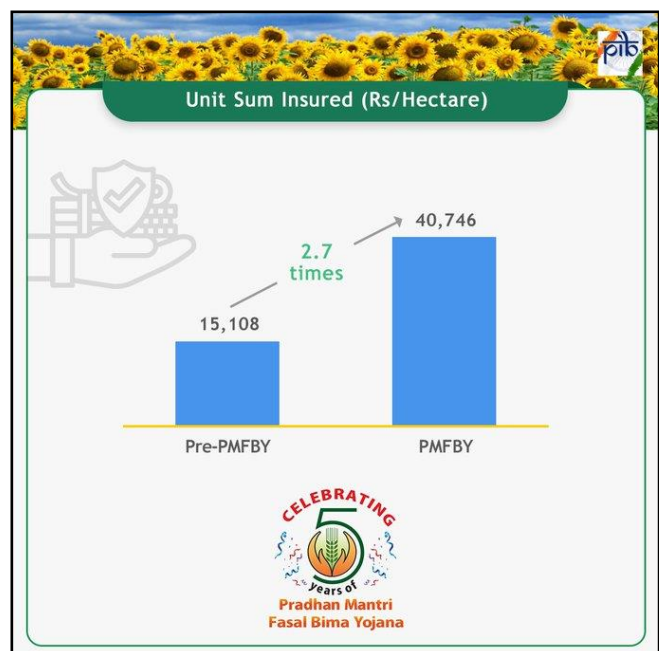


- Claims amounting to more than Rs. 96,242 crore have been settled against the farmer premium share of Rs. 17,524 crore till Rabi 2019-20 (provisional). Overall claim ratio at all-India level stands at 78 per cent for 2016-17, 90 per cent for 2017-18, 99 per cent for 2018-19. Provisional claim ratio for 2019-20 is 83 per cent where a good number of claims are yet to be calculated/paid.⁹

- PMFBY raised the bar of Average Sum Insured per hectare:¹⁰

Before PMFBY- Rs 15,100

After PMFBY – Rs 40,700





⁹ Ibid

¹⁰ https://twitter.com/pib_india/status/1349238912988848129

UTTAR PRADESH¹¹: PAVING THE WAY FOR ‘ATMANIRBHAR KRISHI’

- Uttar Pradesh is an excellent example in terms of coverage area, with all 75 districts being covered by the scheme for Kharif 2021 season and Rabi 2020 season.¹²

<p>A total of Rs. 7843.66 crore has been insured for Kharif season of 2021, with area coverage of approximately 15.61 lakh hectares.</p>	
	<p>A total of Rs. 9355.91 crore has been insured for Rabi season of 2020, with area coverage of approximately 14.74 lakh hectares.</p>

- The premium paid by the Central Government, State Government and Farmers under PMFBY in the Rabi and Kharif seasons over the past year are as follows:

	Rabi 2020 (in crores)	Kharif 2021 (in crores)	Rabi 2021 (in crores)
Total Premium	774.91	785.81	205.27
Premium paid by Central Govt	310.9	313.82	84.15
Premium paid by State Govt	310.9	315.12	84.15
Premium paid by Farmers	153.11	156.87	36.98

¹¹<https://pmfby.gov.in/ceo/dashboard>

¹²<https://pmfby.gov.in/adminStatistics/dashboard>

- Claim Ratio for Kharif crops was more than 100 all 75 districts being covered by the scheme for Kharif 2021 season and Rabi 2020 season at 114 all 75 districts being covered by the scheme for Kharif 2021 season and Rabi 2020 season in the year 2019.¹³
- A success story from Uttar Pradesh illustrates the potential of PMFBY scheme in touching the lives of common people. Smt. Sonali Maurya, a resident of Mirzapur district in Uttar Pradesh, narrates how the scheme helped her in the hour of crisis. Her story can be found [here](#).

References:

- <https://pmfby.gov.in/ceo/dashboard>
- <https://pmfby.gov.in/adminStatistics/dashboard>
- <https://pib.gov.in/PressReleasePage.aspx?PRID=1687913>
- https://static.mygov.in/rest/s3fs-public/mygov_162764394455063671.pdf
- <https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1738233>
- <https://pib.gov.in/PressReleasePage.aspx?PRID=1695990>
- <https://static.pib.gov.in/WriteReadData/specificdocs/documents/2021/dec/doc202112701.pdf>
- https://twitter.com/narendramodi/status/1349228299843563521?ref_src=twsrc%5Etfw%7Ctwcamp%5Etweetembed%7Ctwterm%5E1349228299843563521%7Ctwgr%5E%7Ctwcon%5Es1_%26ref_url=https%3A%2F%2Ftimesofindia.indiatimes.com%2Findia%2Ffasal-bima-yojana-increased-coverage-mitigated-risk-and-benefitted-crores-of-farmers-pm-modi%2Farticleshow%2F80246435.cms
- https://twitter.com/pib_india/status/1349292175931047938?lang=da
- <https://www.outlookindia.com/website/story/uttar-pradesh-government-to-include-more-farmers-under-pradhan-mantri-fasal-bima-yojana/402979>

Video References:

- <https://www.youtube.com/watch?v=LdS1VJ6Ay7A&feature=youtu.be>

AG/HP/LP/RC

¹³https://static.mygov.in/rest/s3fs-public/mygov_162764394455063671.pdf