

## Crop Insurance: Pradhan Mantri Fasal Bima Yojana

**Boddu Monish Reddy<sup>1\*</sup> and R. Naseeruddin<sup>2</sup>**

M.Sc Scholar, Department of Agronomy, S.V. Agricultural College, ANGRAU  
 Assistant Professor, Department of Agronomy, S.V. Agricultural College, ANGRAU

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Crop insurance is a way to shield farmers from the financial consequences of crop failures as well as losses caused by either specific (pests, diseases) or all unnamed uncontrollable hazards (natural disasters like floods, etc.). The government's one nation, one scheme-themed Pradhan Manthri Fasal Bima Yojana is its main programme for agriculture insurance started on January 13th, 2016. The programme was meant as a landmark effort for providing farmers an integrated risk remedy at the lowest consistent premium across the nation, with nearly 16000 Crs has been sanctioned from Government of India.

### Objectives:

- Offering financial assistance to farmers facing crop loss or damage due to unanticipated events
- Stabilising farmer income to secure their ability to continue farming
- Encouraging farmers to use sophisticated and innovative agricultural techniques
- In addition to shielding farmers from production risks, assuring crop diversity and encouraging the expansion and competitiveness of the agriculture industry.

### Premium rates:

Implementing agency (Ministry of agriculture) has charged the Actuarial premium crops under pmfby. Table .1.

S. No	Season	Crops	Maximum Insurance charges payable by farmer (% of Sum Insured)
1	Kharif	All food grain and Oilseeds crops(all Cereals, Millets, Pulses and Oilseeds crops)	2.0% of SI or Actuarial rate, whichever is less
2	Rabi	All foodgrain and Oilseeds crops(all Cereals, Millets, Pulses and Oilseeds crops)	1.5% of SI or Actuarial rate, whichever is less
3	Kharif and Rabi	Annual Commercial / Annual Horticultural crops	5% of SI or Actuarial rate, whichever is less

The PMFBY was changed by the central government for the 2020 Kharif season to ensure better utilisation. While all farmers who received institutional loans from banks are required to be included under the scheme, the programme was voluntary for those farmers who were not interested in institutional loans.

### **Risk types require to be covered:**

#### **Risks:**

Following risks leading to crop loss are to be covered under the scheme:-

1. **Yield Losses** (standing crops, on notified area basis):, such as
  - ✚ Natural Fire and Lightning
  - ✚ Storm, Hailstorm, Cyclone, Typhoon, Tempest, Hurricane, Tornado etc.
  - ✚ Flood, Inundation and Landslide
  - ✚ Drought, Dry spells (v)
  - ✚ Pests/ Diseases etc
2. **Prevented Sowing** (on notified area basis): If the majority of the insured farmers in a specified area intend to sow or plant a crop but are unable to do so because of unfavourable weather conditions, they may be eligible for reimbursement claims up to a maximum of 25% of the insured amount.
3. **Post-Harvest Losses** (individual farm basis): For crops that are left in 'cut & spread' condition to dry in the field after harvesting, coverage is offered up to a maximum of 14 days after harvesting against cyclone / cyclonic rains and unseasonal rainfall across the nation.
4. **Localised Calamities** (individual farm basis): loss or damage brought on by the occurrence of specific local dangers, such as flooding, landslides, and hailstorms that impact solitary farms in the notified region

#### **Companies providing Crop Insurance:**

- SBI General Insurance
- Agriculture Insurance Company
- HDFC ERGO General Insurance Co. Ltd.
- IFFCO Tokio General Insurance Co. Ltd.
- Cholamandalam MS General Insurance Company
- Reliance General Insurance Co. Ltd.

- Bajaj Allian
- Tata AIG General Insurance Co. Ltd.

### **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.

### **Steps to Complete Self-registration on the PMFBY Portal**

The Indian government has provided the facility to all Indian farmers to register for the PM Fasal Bima Yojana schemes themselves. This is how the farmers can successfully go forward with PMFBY online registration:

1. Visit the PMFBY portal <https://pmfby.gov.in/>
2. The user next needs to click on the 'Register' tab to register themselves.
3. Enter the personal and official information as required.
4. The user then needs to verify the Aadhar number (automatically verified) and the mobile number (OTP verification).
5. Once, the registration is approved, the user is notified via an SMS or an email upon approval/rejection.