

PRADHAN MANTRI FASAL BIMA YOJNA (PMFBY)

- **OBJECTIVE OF THE SCHEME:** Providing financial support to farmers suffering from crop loss/damage arising out of unforeseen events.
- **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-loanee 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.
- **COVERAGE OF CROPS:**
 - a. Food crops (Cereals, Millets and Pulses)
 - b. Oilseeds and
 - c. Annual Commercial / Annual Horticultural crops.
- **COVERAGE OF RISKS:** It includes Prevented Sowing/ Planting Risk, Standing Crop (Sowing to Harvesting), Post-Harvest Losses and Localized Calamities and add on coverage for crop loss due to attack by wild animals.

(Note: This scheme excludes losses arising out of war and nuclear risks, malicious damage and other preventable risks)

- **PRECONDITIONS FOR IMPLEMENTATION OF THE SCHEME:** Issuance of Notification by State Government / UT for implementation of the scheme (PMFBY).
- **NOTIFICATION:** State Government / UT shall also notify seasonality discipline for various activities under the scheme viz. Submission of insurance proposals, consolidated declarations by banks, yield data, claim assessment of losses for 1. Standing Crop, 2 Localised Calamities, 3 Prevented sowing, 4.Post harvest Loss, 5. On-Account payment for major calamities etc. as per the provisions of the scheme.
- **SUM INSURED /COVERAGE LIMIT:** Sum Insured per hectare for both loanee and non-loanee farmers will be same and equal to the Scale of Finance as decided by the District Level Technical Committee, and would be pre-declared by SLCCCI and notified.
- **PREMIUM RATES AND PREMIUM SUBSIDY**

S. NO.	SEASON	CROPS	MAXIMUM INSURANCE CHARGES PAYABLE BY FARMERS (% OF SUM INSURED)
1.	KHARIF	All foodgrains and Oilseeds crops (all Cereals, Millets, Pulses and Oilseed crops)	2% of sum insured or Actuarial rate, whichever is less
2.	RABI	All foodgrains and Oilseed crops (all cereals, Millets, Pulses and Oilseed crops)	1.5 % of sum insured or Actuarial rate, whichever is less
3.	KHARIF & RABI	Annual Commercial /Annual Horticultural crops	5% of sum insured or Actuarial rate, whichever is less

- **SEASONALITY DISCIPLINE:** The cut-off date is uniform for both loanee and non-loanee cultivators. The State-wise cut off dates for different crops shall be based on Crop Calendar of major crops published from time to time by the Directorate of Economics and Statistics, Department of Agriculture, Cooperation and Farmers' Welfare, Ministry of Agriculture and Farmers' Welfare, Government of India.

The Broad Indicative seasonality discipline is given in table below:

S.No.	Activity	Kharif	Rabi
1	Start of enrolment of farmers for the season(as per crop calendar)	From 1st April	From 1st October
2	Cut-off date for intimation of change of insured crop by the loanee farmer	2 working days prior to cut-off date for debit/collection of premium from farmers	2 working days prior to cut-off date for debit/collection of premium from farmers
3	Cut-off date for receipt of Applications of farmers/debit of premium from farmers account (loanee and non- loanee) by all stakeholders including banks/PACS/CSC/ insurance agent/online enrolment by farmers etc. Note: *This is indicative only and district wise crop calendar will be the final basis to arrive at cut-off date	Upto last date of enrolment of farmers as notified by States for notified crop(s) or up to 15th July* for Kharif season	Upto last date of enrolment of farmers as notified by States for notified crop(s) or up to 15th December* for Rabi season
4	Cut-off date for electronic remittance of premium along with consolidated Declarations to respective Insurance Company and uploading of details of individual covered farmers on crop insurance Portal by Bank branches (CBs/ RRBs/DCCBs/PACs), followed by SMS to all insured farmers from Portal	Within 15 days of cut-off date for enrolment of farmers/debit of premium for both loanee and non-loanee farmers.	
5	Cut-off date for CSCs/Banks/Intermediary to correct/update the paid application intimated by ICs on Crop Insurance Portal	Within 7 days from the date of intimation by ICs	
6	Cut-off date for Banks/ICs to hand over insurance acknowledgement receipt along with folio to the insured farmer	Within 7 days from acceptance of proposal by concerned Insurance Company on Portal	
7	Reconciliation of claim amount by concerned bank branches for loanee farmers disbursed either through Banks or directly to beneficiary accounts/ DBT In case of Non Loanee, reconciliation of claims , if required, to be done by enrolling agencies in consultation with concerned bank/State Govt.	Within a week after receipt of claims	

➤ Cut off dated can be increased/ decreased by State/ Central Government Notification.

➤ **ASSESSMENT OF LOSS / SHORTFALL IN YIELD:** The Scheme operates on the basis of 'Area Approach' i.e., Defined Areas for each notified crop for widespread calamities and insurance unit is village/ Village Panchayat or any other equivalent unit for major crops and for other crops it may be a unit of size higher than Village/ Village Panchayat level, to be decided by the State/ UT Government.

➤ As per revised operational guidelines issued by Department of Agriculture, Cooperation and Farmers Welfare Ministry of Agriculture & Farmers Welfare Krishi Bhawan, New Delhi-110001.

➤ **Submission of UID (AADHAAR) by farmer:** Aadhaar has been made mandatory for availing Crop insurance from Kharif 2017 season onwards. Therefore, all banks are advised to mandatorily obtain Aadhaar number of their farmers and the same applies for non-loanee farmers enrolled through banks/Insurance companies/insurance intermediaries.

➤ Farmers not having Aadhaar ID may also enrol under PMFBY subject to their enrolment for Aadhaar and submission of proof of such enrolment as per notification No. 334.dated 8th February, 2017 issued by GOI under Section 7 of Aadhaar Act 2016(Targeted Delivery of Financial and other Subsidies, Benefits and Services). Copy of the notification may be perused on www.pmfby.gov.in. This may be subject to further directions issued by Govt. from time to time.

➤ All banks have to compulsorily take Aadhaar/Aadhaar enrolment number as per notification under Aadhaar Act before sanction of crop loan/KCC under Interest Subvention Scheme. Hence the coverage of loanee farmers without Aadhaar does not arise and such accounts need to be reviewed by the concerned bank branch regularly.

➤ Role of Banks for implementation of Revamped “Pradhan Mantri Fasal Bima Yojana (PMFBY)” and “Restructured weather Based Crop Insurance Scheme (RWBCIS)”- Opting Out facility to be provide to existing loanee farmers:

- The scheme has been made Voluntary for all the farmers, including the loanee farmers.
- Department of Agriculture, Cooperation & Farmers Welfare, after consultation with all the Banks, has formulated the following guidelines regarding the operational procedures to be followed by the Branches implementing PMFBY, especially for ‘opting out’ and ‘opting in’ of farmers for the crop insurance scheme:
 - The scheme will work on an “Opt-out” mode for the existing loanee farmers.
 - The Farmers can choose not to participate in the scheme, by giving a signed declaration, mentioning that the farmer does not want to participate in the schemes any time during the year for the upcoming season but atleast 7 days before the enrolment cut-off date. If application is received 7 days prior of cutoff date for enrolment, then the farmer will be removed from compulsory enrolment from the upcoming season.
 - Declaration for both ‘Opting In’ and for ‘Opting Out’ will have to be submitted by the farmer in the same bank branches where they have their KCC account.
 - The loanee farmer who has opted out from the schemes will not be considered by branches for coverage under crop insurance for all his crops and areas and till the time farmer submits an application for Opting in, irrespective of number of seasons or years.