

CRITICAL EVALUATION OF PRADHAN MANTRI FASAL BIMA YOJANA IN INDIA

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ABSTRACT

India is the big country for the purpose of agriculture activity. India has large space for crops production. The Indian farmers do production of many crops during the different season. Many time crops have destroyed from many reasons. So it is required a protection of farmers from any loss. To fulfill of this purpose the central government make a insurance policy for crops and this policy is called PMFBY. The PMFBY has cover all type of crops and give support to farmers through financially. This Scheme applicable on rabi and kharif crops. The central and state government gives subsidy for this Scheme. This scheme has many provisions for farmer benefit. The study paper focused on the growth implementation of Pradhan Mantri Fasal Bima Yojana Scheme in India. For determine the performance of this Scheme by the base of progress of rabi crops and progress of kharif crops in different states. In the analysis of this Scheme, it was measure that some states are doing growth and some states have very weak position in this Scheme. So it is required for government to give full focus on implementation of Scheme in every state by proper way and get the objective of PMFBY Scheme.

KEYWORDS: *Pradhan Mantri, Rabi-Kharif Crops, Evaluation, Government Subsidy.*

Introduction

The Indian farmers face many problem in crop production but PMFBY do help in insurance of crop and give sustainable income to farmer and encourage the farmer for adopt new technology in farming. The PMFBY can cover horticulture crops and food and oilseeds crops. It is necessity that available of past production data of crops. This scheme is applicable on these farmers who are getting crop loan. However, It is optional for other farmers who have interest in the insurance of crops. If some difference in the rate of insurance and premium amount payable by farmers than the centre government and state government shall share equal amount of difference.

The process is same for loanee farmers and other farmers in this scheme. The scheme will be implemented by general insurance companies. The State government has power for select of implementing agency after bidding process. The three committees shall be responsible for management of PMFBY scheme. First in State Level co-ordination committee on crop insurance (SLCCCI) and second is Sub-committee to SLCCCI and Third is District Level Monitoring Committee (DLMC). The PMFBY scheme shall be implemented on the basis of Area Approach. For major crops the village consider as a unit for the purpose of insurance. If any lose occur under this scheme then the claim amount will transfer through electronically to the farmer bank account.

Objective of the PMFBY Scheme

The main objective of the scheme is

- To give support to farmers from crop loss by way of insurance amount.
- To encourage the farmers for continuance in farming
- To give new technology to help farmers for modern agricultural activity.
- To give boost to the agriculture sector through credit flow.
- To create a competitive environment in the field of agriculture sector.

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Coverage of Farmers and Crops

The following farmers are cover under this scheme:

- Compulsory Coverage – If any farmer has special crop which is notified by government in the notified area and take crop loan from bank are cover under this scheme. The government decided to include to any farmer than such farmer include in the scheme.
- Voluntary Coverage – If any farmer does not cover under compulsory coverage and wants to insurance of his crop than he do without any barriers under voluntary coverage.

The following crops are cover under this scheme:

- Crops related to food (Cereals, Millets and Pulses)
- Crops related to oilseeds
- Annual commercial crops
- Annual horticultural crops

Premium Rates and Premium Subsidy

Under PMFBY Scheme some amount charge by insurance company from farmers that is called Actuarial Premium Rate (APR). The amount charge as a premium rate will be as per following Table 1:

Season	Crops	Maximum premium rate
Rabi	All crops related to food grain and oilseeds (All cereals, Pulses, Millets and oilseeds)	1.5% of Sum Insured or Actuarial rate, whichever is less.
Kharif	All crops related to food grain and oilseeds (All cereals, Pulses and oilseeds)	2.0% of Sum Insured or Actuarial rate, whichever is less.
Rabi and Kharif	Annual Horticultural Crops/Annual commercial Crops and Perennial horticultural crops.	5% of Sum Insured or Actuarial rate, whichever is less.

Source: Compiled by author from database available at www.pmfby.gov.in

Payment of Government Subsidy

If any difference between Actuarial Premium Rate and rate of Insurance premium that is called Rate of Normal Premium Subsidy will be paid equally by the Central government and the state government. If government paid amount over normal subsidy is called additional subsidy.

Objective of the Study

- To Analysis the performance of PMFBY Scheme.
- To Analysis the role of State government in the Scheme.
- To Evaluate of the benefit of the PMFBY Scheme for farmer.
- To Analysis the present status of the Scheme.
- To Evaluate of the success of the Scheme.

Research Methodology

This study is based on the secondary data collected from various journals, research studies and websites as on August 2019. In this research it is tried to understand different matter related to Pradhan Mantri Fasal Bima Yojana scheme. For make the study more valuable the further knowledge gain from various research articles and unpublished thesis.

Analysis of PMFBY

Progress of Pradhan Mantri Fasal Bima Yojana Scheme for kharif in 2016

Pradhan Mantri Fasal Bima Yojana Scheme implementing in the 32 states of the country. It is observed that Maharashtra, Rajasthan, Madhya Pradesh, Uttar Pradesh and West Bengal are the leading states in overall performance of Pradhan Mantri Fasal Bima Yojana Scheme. These states have maximum number of farmers insured, Area insured and Sum insured. Total number of farmers insured under PMFBY Scheme is 40258737 in the country. Maharashtra is leading state in number of farmers insured (10997398) followed by Rajasthan (6231514), Madhya Pradesh (4071974), Uttar Pradesh (3739273) and West Bengal (3053408). Total Area insured under PMFBY Scheme is 37682608 hectare in the country. Rajasthan has highest area insured (7330884) hectare followed by Maharashtra (6726963), Madhya Pradesh (6445838), Uttar Pradesh (3295815) and West Bengal (1500254). Table 2 shows the state wise Progress of PMFBY Scheme in top ten states.

Table 2: Progress of Top ten (10) states under PMFBY Scheme as on 2016

S. No.	State	Farmers Insured	Area Insured	Sum Insured	Gross Premium	Amount Paid as Claim	Farmers Benefitted
		No.	Hectare	In Rupees Crore			No.
1.	Maharashtra	10997398	6726963	21417.57	4123.30	2079.90	2795624
2.	Rajasthan	6231514	7330884	9980.04	1977.70	1635.68	2552188
3.	Madhya Pradesh	4071974	6445838	18439.61	2672.79	1846.30	1110181
4.	Uttar Pradesh	3739273	3295815	14175.30	673.78	449.95	949945
5.	West Bengal	3053408	1500254	7806.63	259.68	101.87	253754
6.	Gujarat	1842386	2566907	11250.18	2305.38	1229.28	639228
7.	Orissa	1766541	1258011	6891.22	532.72	429.35	166436
8.	Andhra Pradesh	1618537	1387438	7682.47	680.80	647.15	793662
9.	Bihar	1485432	1312217	6531.06	1122.50	291.54	151365
10.	Chhattisgarh	1399189	2200431	6681.74	271.89	133.04	96966

Source: Compiled by author from database available at www.pmfby.gov.in

Progress of Pradhan Mantri Fasal Bima Yojana Scheme for Rabi in 2016-2017

Pradhan Mantri Fasal Bima Yojana Scheme implementing in the 32 states of the country. It is observed that Maharashtra, Rajasthan, Madhya Pradesh, Uttar Pradesh and West Bengal are the leading states in overall performance of Pradhan Mantri Fasal Bima Yojana Scheme. These states have maximum number of farmers insured, Area insured and Sum insured. Total number of farmers insured under PMFBY Scheme is 17056916 in the country. Madhya Pradesh is leading state in number of farmers insured (3109268) followed by Uttar Pradesh (3103829), Rajasthan (2938246), Tami Nadu (1395353) and Karnataka (1380792). Total Area insured under PMFBY Scheme is 18601803 hectare in the country. Madhya Pradesh has highest area insured (5574999) hectare followed by Rajasthan (3058399), Uttar Pradesh (2623270), Karnataka (1664637) and Tamil Nadu (1263703). Table 3 shows the state wise Progress of PMFBY Scheme in top ten states.

Table 3: Progress of Top ten (10) states under PMFBY Scheme as on 2016-2017

S. No.	State	Farmers insured	Area Insured	Sum Insured	Gross Premium	Amount Paid as Claim	Farmers Benefitted
		No.	Hectare	In Rupees Crore			No.
1.	Madhya Pradesh	3109268	5574999	18374.47	1179.45	154.19	208005
2.	Uttar Pradesh	3103829	2623270	11828.63	444.95	104.34	202367
3.	Rajasthan	2938246	3058399	7699.46	561.81	232.08	349430
4.	Tamil Nadu	1395353	1263703	6547.67	1217.41	3413.20	1182669
5.	Karnataka	1380792	1664637	4378.62	681.84	697.32	810016
6.	Bihar	1228806	1140088	5276.04	293.77	57.05	69358
7.	West Bengal	1079871	495246	4264.78	467.08	317.51	264578
8.	Maharashtra	1008532	711671	3079.89	616.37	235.62	111518
9.	Haryana	597172	896571	4761.48	107.42	60.76	65915
10.	Telangana	264467	236958	1530.71	59.84	14.52	13586

Source: Compiled by author from database available at www.pmfby.gov.in

Progress of Pradhan Mantri Fasal Bima Yojana Scheme for Kharif in 2017

Pradhan Mantri Fasal Bima Yojana Scheme implementing in the 32 states of the country. It is observed that Maharashtra, Rajasthan, Madhya Pradesh, Uttar Pradesh and West Bengal are the leading states in overall performance of Pradhan Mantri Fasal Bima Yojana Scheme. These states have maximum number of farmers insured, Area insured and Sum insured. Total number of farmers insured under PMFBY Scheme is 34776055 in the country. Maharashtra is leading state in number of farmers insured (8768211) followed by Rajasthan (5417614), Madhya Pradesh (3584684), Uttar Pradesh (2499944) and West Bengal (2350336). Total Area insured under PMFBY Scheme is 34053449 hectare in the country. Madhya Pradesh has highest area insured (6520763) hectare followed by Rajasthan (6181435), Maharashtra (5022029), Uttar Pradesh (2356195) and Orissa (1348991). Table 4 shows the state wise Progress of PMFBY Scheme in top ten states.

Table 4: Progress of Top ten (10) states under PMFBY Scheme as on 2017

S. No.	State	Farmers Insured	Area Insured	Sum Insured	Gross Premium	Amount Paid as Claim	Farmers Benefitted
		No.	Hectare	In Rupees Crore			No.
1.	Maharashtra	8768211	5022028.78	16835.94	3804	2860.59	4988139
2.	Rajasthan	5417614	6181435.51	10286.50	1832	1576.99	2437700
3.	Madhya Pradesh	3584684	6520763.32	24542.31	3946	5428.31	1868844
4.	Uttar Pradesh	2499944	2356194.85	9179.65	699	247.42	396460
5.	West Bengal	2350336	1157280.62	6150.18	262	165.57	279643
6.	Orissa	1827839	1348990.64	7210.39	835	1728.11	740614
7.	Andhra Pradesh	1597435	1850633.71	9662.84	1160	494.63	597978
8.	Karnataka	1581497	1825231.88	8875.09	1856	807.90	617385
9.	Gujarat	1490610	2333354.21	11110.89	3155	1042.26	404610
10.	Chhattisgarh	1303808	1986917.11	6546.77	307	1303.80	573093

Source: Compiled by author from database available at www.pmfby.gov.in

Progress of Pradhan Mantri Fasal Bima Yojana Scheme for Kharif in 2018

Pradhan Mantri Fasal Bima Yojana Scheme implementing in the 32 states of the country. It is observed that Madhya Pradesh, Maharashtra, Rajasthan, Uttar Pradesh and Orissa are the leading states in overall performance of Pradhan Mantri Fasal Bima Yojana Scheme. These states have maximum number of farmers insured, Area insured and Sum insured. Total Sum insured under PMFBY Scheme is 113397.18 cror in the country. Madhya Pradesh is leading state in Sum insured (24848.04)cror followed by Maharashtra (19803.1), Rajasthan (14845.93), Uttar Pradesh (10463.81) and Orissa (8400.14)cror. Total Area insured under PMFBY Scheme is 2.75 cror hectares in the country. Madhya Pradesh has highest area insured (69.26 Lac) hectare followed by Maharashtra (56.76 Lac), Rajasthan (46.74 Lac), Uttar Pradesh (27.49 Lac) and Chhattisgarh (19.96 Lac). Table 5 shows the state wise Progress of PMFBY Scheme in top ten states.

Table 5: Progress of Top ten (10) States under PMFBY Scheme as on 2018

S. No.	State	Sum Insured (in Crore)	Area Insured (in Lac Hectare)	Major Crop
1.	Madhya Pradesh	24848.04	69.26	Bhat
2.	Maharashtra	19803.1	56.76	Soybean
3.	Rajasthan	14845.93	46.74	Bajra
4.	Uttar Pradesh	10463.81	27.49	Dhan
5.	Orissa	8400.14	14.34	Dhan
6.	Chhattisgarh	7176.26	19.96	Unir
7.	Haryana	6962.89	9.9	Dhan
8.	West Bengal	6366.72	10.21	Aman
9.	Andhra Pradesh	5371.76	6.94	Dhan
10.	Telangana	3641.27	4.69	Rice

Source: Compiled by author from database available at www.pmfby.gov.in

Progress of Pradhan Mantri Fasal Bima Yojana Scheme for Rabi in 2018

Pradhan Mantri Fasal Bima Yojana Scheme implementing in the 32 states of the country. It is observed that Madhya Pradesh, Rajasthan, Uttar Pradesh, West Bengal and Tamil Nadu are the leading states in overall performance of Pradhan Mantri Fasal Bima Yojana Scheme. These states have maximum number of farmers insured, Area insured and Sum insured. Total Sum insured under PMFBY Scheme is 86016.64 cror in the country. Madhya Pradesh is leading state in Sum insured (21759.07)cror followed by Rajasthan (13771.09), Uttar Pradesh (11550.45) and West Bengal (8431.04), Tamil Nadu (8196.74)cror. Total Area insured under PMFBY Scheme is 1.95 cror hectares in the country. Madhya Pradesh has highest area insured (59.05 Lac) hectare followed by Rajasthan (30.48 Lac), Uttar Pradesh (24.25 Lac) and Maharashtra (31.79 Lac), Tamil Nadu (13.57 Lac). Table 6 shows the state wise Progress of PMFBY Scheme in top ten states.

Table 6: Progress of Top ten (10) states under PMFBY Scheme as on 2018

S. No.	State	Sum Insured (in Crore)	Area Insured (in Lac Hectare)	Major Crop
1.	Madhya Pradesh	21759.07	59.05	Wheat
2.	Rajasthan	13771.09	30.48	Wheat
3.	Uttar Pradesh	11550.45	24.25	Wheat
4.	West Bengal	8431.04	10	Boro
5.	Tamil Nadu	8196.74	13.57	Paddy-II
6.	Maharashtra	7897.88	31.79	Chana
7.	Haryana	6971.2	10.93	Wheat
8.	Andhra Pradesh	3515.47	7.3	Chana
9.	Telangana	1469	2.09	Rice
10.	Chhattisgarh	879.67	2.73	Chana

Source: Compiled by author from database available at www.pmfby.gov.in

Progress of Pradhan Mantri Fasal Bima Yojana Scheme for Kharif in 2019

Pradhan Mantri Fasal Bima Yojana Scheme implementing in the 32 states of the country. It is observed that Maharashtra, Rajasthan, Orissa, West Haryana and Andhra Pradesh are the leading states in overall performance of Pradhan Mantri Fasal Bima Yojana Scheme. These states have maximum number of farmers insured, Area insured and Sum insured. Total Sum insured under PMFBY Scheme is 76410.2 cror in the country. Maharashtra is leading state in Sum insured (22753.99) cror followed by Rajasthan (12976.38), Orissa (11449.83) and Haryana (8244.29), Andhra Pradesh (7350.63) crore. Total Area insured under PMFBY Scheme is 1.81 cror hectares in the country. Maharashtra has highest area insured (66.44 Lac) hectare followed by Rajasthan (44.75 Lac), Orissa (17.56 Lac) and Chhattisgarh (16.92 Lac), Haryana (11.15 Lac). Table 7 shows the state wise Progress of PMFBY Scheme in top ten states.

Table 7: Progress of Top ten (10) states under PMFBY Scheme as on 2019

S. No.	State	Sum Insured (in Crore)	Area Insured (in Lac Hectare)	Major Crop
1.	Maharashtra	22753.99	66.44	Soybean
2.	Rajasthan	12976.38	44.75	Bajra
3.	Orissa	11449.83	17.56	Dhan
4.	Haryana	8244.29	11.15	Dhan
5.	Andhra Pradesh	7350.63	8.89	Dhan
6.	Chhattisgarh	6237.48	16.92	Unir
7.	Uttar Pradesh	4733.2	10.64	Dhan
8.	Tamil Nadu	741.12	1.12	Paddy-I
9.	Telangana	667.42	1.04	Makka
10.	Jharkhand	665.08	1.14	Dhan

Source: Compiled by author from database available at www.pmfby.gov.in

Conclusion

Although, PMFBY scheme gives subsidy, various facilities and helpful support to farmers for protection from any loss of crops but growth rate of PMFBY is very weak against total number of farmers in the country. Total insurance premium get 12305.74 cror for season of Kharif 2019. It is very low against 15273.72 cror of Kharif 2018. There is a require to review on whole structure of scheme such as programme of insurance, institution for loan, credit facility, subsidy and scheme monitoring for effetely implementation of scheme. The scheme get some object but now require some improvement in scheme advertisement and get service from experts. It is founded in the present research that Maharashtra, Madhya Pradesh, Rajasthan, Uttar Pradesh have high ranked states in overall performance of Pradhan Mantri Fasal Bima Yojana scheme. These states have maximum number of farmers insured, area insured and sum insured under the scheme. While on the other side, the some states have very weak position of performance of the scheme. The highest sum insured is 22753.99 cror of Maharashtra state in 2019 under PMFBY scheme.

The east and southern region should be given more attention by the government in which the Pradhan Mantri Fasal Bima Yojana Scheme was reported insignificant. To achieve the objectives of this

scheme, government should make pertinent policies specifically for the east and south states for the suitable execution and advancement in the performance of PMFBY Scheme. After this study we feel that it is needed for every farmers to attach regularly with bank and government agencies for pilotage and endorsement. Consonance is also necessary between bank and nodal agency of government for better advancement of the Pradhan Mantri Fasal Bima Yojana Scheme in India.

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