



## Comparative analysis of Pradhan Mantri Fasal Bima Yojana and state disaster response fund

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### Abstract

Government efforts provide fruit in shape of green revolution and agriculture made rapid progress. But it has its own problems such as it made agriculture costlier, it benefited an area more than other and it benefited big farmers more than small. One thing which still exists is dependence on monsoon and crop failure due to its irregularities. As state's economic capacities increases it starts providing economic aids to farmers in form of compensation for failure crops, so that they can survive in most difficult time. In this research paper, a comparison has been made between two schemes of Government of Haryana which are meant for providing assistance to the effected farmer.

**Keywords:** green revolution, agriculture, effected farmer etc.

### Introduction

India is a country in which more than 70% population depends on agriculture. Indian agriculture is many a time called as gamble of Monsoon. As low level of irrigation facilities available farmers has to look for Monsoon, particularly in Kharif Season. Other problems in addition to it like small farm size, over dependence, low level of productivity make Indian farmers very much vulnerable to calamities. They also do not have other sources of income, so whenever their crop fails they have to look for money lenders and ultimately, they caught in debt trap. This is age old characteristic of Indian agriculture which many a time lead to most dangerous stage of farmers suicide.

After independence Indian government focused towards the poor situation of farmers and takes many steps to improve their lives.

- a) Under community development program irrigation facilities were developed.
- b) Other sources of income were generated for rural areas.
- c) Food for work scheme launched so that farmers can get food in worst situation.
- d) Organizational credit facilities were made available to them at subsidized rates.
- e) Apart from crop production, cattle rearing, and poultry was also encouraged.

Government efforts provide fruit in shape of green revolution and agriculture made rapid progress. But it has its own problems such as it made agriculture costlier, it benefited an area more than other and it benefited big farmers more than small. One thing which still exists is dependence on monsoon and crop failure due to its irregularities. As state's economic capacities increases it starts providing economic aids to farmers in form of compensation for failure crops, so that they can survive in most difficult time.

### Result and Discussion

#### Schemes for compensation to the farmers for crop damage loss

Earlier Calamity Relief Fund was created by State Governments for providing compensation to the farmers for crop damage. With time this compensation got constitutional support as National Disaster Management Act provide that there should be State Disaster Response Fund to help the victims of disasters. Now it is mandatory for all states to provide compensation for failed crops to the farmers. But this cause huge economic pressure on state exchequer and many states find it difficult to distribute compensation on time.

To overcome this situation, Government of India go for a new comprehensive crop insurance scheme "Pradhan Mantri Fasal Bima Yojana" which cover entire cropping season from sowing to selling of crop and have different compensation for different stages. Scheme provides overall cover to farmer against all Hazards.

#### Comparative Analysis of both State Disaster Response Force and Pradhan Mantri Fasal Bima Yojana

State of Haryana is in North West part of country and lies in Indo- Ganga plains. State has very fertile land and very laborious population. Irrigation facilities in state are also well developed in comparison to other parts of country. Rainfall in state ranges between 100mm to less than 50 mm from North to South part respectively. Many a time's state faces Drought and flood, apart from this Hailstorm, Fire, Pest Attack, Cold Wave are other Hazards. State has very good history of providing timely and appropriate compensation to farmers. Both schemes viz., State Disaster Response Force and Pradhan Mantri Fasal Bima Yojana are being implemented in the State of Haryana by Department of Revenue and Disaster Management and Department of Agriculture and Farmers Welfare respectively.

**Crops Covered**

Compensation for crops namely Paddy, Bajra, Maize, Cotton, Wheat, Gram, Barley and Mustard are being provided under Pradhan Mantri Fasal Bima Yojana whereas under State Disaster Response Fund compensation for crops namely Wheat, Paddy, Cotton, Sugarcane, Mustard and other crops are being provided.

**Coverage of Risks**

Under Pradhan Mantri Fasal Bima Yojana-  
Prevented Sowing/ Planting Risk: Insured area is prevented from sowing/ planting due to deficit rainfall or adverse seasonal conditions.

**Standing Crop (Sowing to Harvesting)**

Comprehensive risk insurance is provided to cover yield losses due to non- preventable risks, viz. Drought, Dry spells, Flood, Inundation, Pests and Diseases, Landslides, Natural Fire and Lightening, Storm, Hailstorm, Cyclone, Typhoon, Tempest, Hurricane and Tornado.

**Post-Harvest Losses**

Coverage is available only up to a maximum period of two

weeks from harvesting for those crops which are allowed to dry in cut and spread condition in the field after harvesting against specific perils of cyclone and cyclonic rains and unseasonal rains.

Localized Calamities: Loss/ damage resulting from occurrence of identified localized risks of hailstorm, landslide, and Inundation affecting isolated farms in the notified area.

**Under State Disaster Response Fund**

Damage to the standing crops due to natural calamities namely Drought, Fire, Flood/Standing Water, Pest attack, Hailstorm, Heavy Rain, Dust Storm, Electric Sparking, Earthquake, Cloud Burst, and Frost & Cold Wave.

**Farmers Covered**

- a) All farmers including share-Croppers and tenant farmers growing the notified crops in the IU(Insurance Unit)
  - b) Optional for the non-loanee farmers
- Source: Under State Disaster Response Fund-farmer/tenant whose standing crops has been damaged above 25%, cannot resort to insurance and unable to bear the loss.

**Table 1:** Sum insured provided under Pradhan Mantri Fasal Bima Yojana

Crop name	Sum Insured (Rs/Hect)	Sum Insured (Rs/Acre)
Cotton	69000	27935.22
Paddy	71500	28947.37
Bajra	33500	13562.75
Maize	36000	14574.9
Wheat	60500	24493.93
Barley	33500	13562.75
Mustard	36000	14574.9
Gram	26000	10526.32

**Table 2:** Sum insured provided under State Disaster Response Fund

Damage in percentage	Compensation per acre
> 25 to < 33%	Rs. 7000/- per acre (wheat, paddy, cotton and sugarcane) Rs. 5500/- per acre (Mustard and other crops)
> 33 to < 50%	Rs. 7000/- per acre (wheat, paddy, cotton and sugarcane) Rs. 5500/- per acre (Mustard and other crops)
> 50 to < 75%	Rs. 9500/- per acre (wheat, paddy, cotton and sugarcane) Rs. 7000/- per acre (Mustard and other crops)
> 75 and above	Rs. 12000/- per acre (wheat, paddy, cotton and sugarcane) Rs. 10000/- per acre (Mustard and other crops)
Drought Norms 50% and above	Rs. 4000/- per acre (Wheat, paddy, and Cotton) Rs. 3500/- per acre (other crops)

**Source:** Pradhan Mantri Fasal Bima Yojana-

A minimum of Rs. 500/- will be paid to all share holders individually even if the compensation amount exceeds the maximum limits of compensation per acre.

**Prevented Sowing/ Planting Risk**

The cut-off dates for the purpose of 'prevented sowing/planting' payout will be 31st August in case of Kharif crops and 15th January in case of Rabi crops.

The State Government will declare an IU as having suffered prevented sowing/planting conditions with approximate areas in percentage of the unit. A Committee under the

chairmanship of SDO (Civil) with Deputy Director Agriculture and Tehsildar concerned as members will submit a report about this to the Director of Agriculture and Farmers' Welfare, Haryana through the Deputy Commissioner by 31<sup>st</sup> August in case of Kharif crops and by 15<sup>th</sup> January in case of Rabi crops.

For prevented sowing/planting, the data recorded at the nearest available Rain Gauge Station (RGS) will be considered wherever required. In case the nearest RGS is not functional for any reason, the second nearest RGS and so on, will be the reference Rain Gauge Station.

### Standing Crop (Wide Spread Calamities)

Shortfall in yield will be calculated by comparing the Threshold Yield with the Actual Yield estimated through Crop Cutting Experiments (CCEs). The CCEs will be undertaken for different crops on a scale decided by the State Government keeping in view the acreage covered in the scheme in different IUs/ Blocks/ districts/ State.

In cases where required number of CCEs could not be conducted due to non-availability of adequate cropped area, the yield estimate for such IUs will be made by adopting the yield of next higher unit i.e. block. If the area in the block is also inadequate, the yield of the district will be adopted. If the area in the district is also inadequate, the yield of the State average will be adopted.

In case of 'On Account Payment of claims due to Mid-Season Adversity', the State Government will issue damage notification keeping in view the likely loss caused to the crops, rainfall data, crop condition reports by field officials, media reports etc.

A Committee under the chairmanship of SDO (Civil) with Deputy Director Agriculture, Tehsildar concerned and a representative of the Insurance Company as members will submit a report about the eligibility for 'On Account Payment' to the Director of Agriculture and Farmers' Welfare, Haryana through the Deputy Commissioner, as and when such adversity occurs. 'On Account Payment' of claims will not be admissible if the adversity occurs within 15 days before the normal harvest time of the specified/ notified crop.

### Post-Harvest Losses

The assessment of yield loss will be on individual plot basis in case of occurrence of cyclone, cyclonic rains and unseasonal rains resulting in damage to harvested crop lying in the field in 'cut and spread' condition, up to a maximum period of 14 days from harvesting.

The Implementing Agency will appoint Loss Assessors in sufficient number having the qualifications provided in OGs, for assessment of losses due to the operations of post-harvest losses.

The loss will be jointly assessed by a team comprising of the Block Agriculture Officer, Loss Assessors and the concerned farmer.

### Localized risks

The assessment of yield loss will be on individual plot basis in case of occurrence of localized perils/calamities viz Landslide, Hailstorm and Inundation affecting part of the IU or a plot.

The Implementing Agency will appoint Loss Assessors in sufficient number having the qualifications provided in OGs, for assessment of losses due to the operations of localized risks.

The loss will be jointly assessed by a team comprising of the Block Agriculture Officer, Loss Assessors of the Insurance Company and the concerned farmer.

If the affected area under a notified crop is more than 25% of the total insured area in the IU, all the eligible farmers, would be eligible for financial support. Percentage of loss would be arrived at by requisite percentage of sample survey (as decided by the Committee of SDO (Civil), Deputy Director Agriculture, Tehsildar concerned and a representative of the

Insurance Company) of affected area.

### Under State Disaster Response Fund:

As per the Point No 9.1 (a) of Punjab Land Record Manual Normal Girdawari has been conducted on 1<sup>st</sup> October for Kharif Crops and on 1<sup>st</sup> March for Rabi Crops. Loss of damaged crops also assessed by respective revenue officer at the time of major Natural Calamities by conducted the special Girdawari as per order of the Government. While conducting the special Girdawari they follows the direction dated 23.09.2009 issued by the Government i.e. as under:

**Table 3: On Assessment**

Sr. No.	Officers	Assessment of Damage in %
1.	Circle Revenue Officer	100
2.	SDO(C)	25
3.	Deputy Commissioner	10
4.	Divisional Commissioner	2

*Source:* Govt offices 2009

### Conclusion

As provided by Prime Minister in his 10-point agenda for disaster risk reduction state government shall work towards risk coverage for all-starting from poor households to SMEs. Farmers should be sensitized regarding the ways of risk transfer.

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