

Government has implemented प्रधान मन्त्री फसल बीमा योजना (PMFBY) to ensure farming as key component to 'double farmers' income.

PMFBY updated previous scheme of National Agriculture Insurance scheme (NAIS) and modified-NAIS to provide

i) Uniformity - one-country - one insurance covering all seasons - winter (Rabi), summer (Kharif) and rainy (Kharif) with the use of latest technology like aerial survey by Drones.

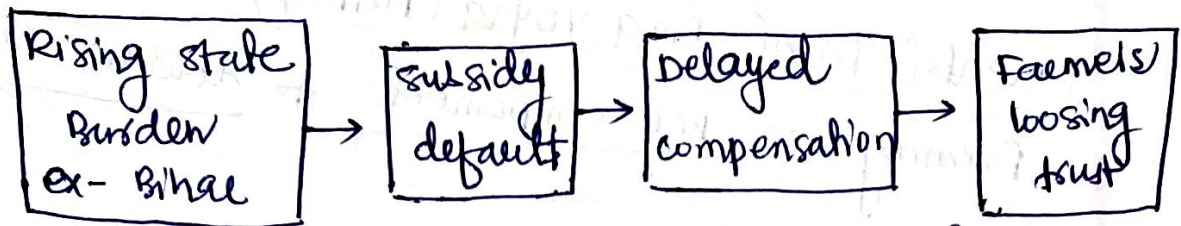
(ii) This raised insurance penetration in initial year from 25% to 41% to reach the target of 50% by PPP mode.

Data also shows compensation has reached to about 90% at some areas.

key concerns and challenges

After rise, the participation of farmers fell 14% between 2016-17 due to

(i) chain events



while central government reduced its share, state government like Bihar find loan waiver more beneficial than subsidy.

(ii) mandatory provision

until recently many farmers had to subscribe compulsorily even without previous compensation as down to earth reported from sonapat.

(iii) Disparity

a) regional - between states like Karnataka and North-east, later having low penetration due to no land record, logistic and yield record.

b) Gender - female farmers left out as they are non owners when male migrate.

c) without land leasing - landless are excluded.

(iv) low compensation

since yield is linked to WPI with negative or falling WPI, compensation

tends to decrease.

way forward

(i) Governance

→ strengthening grass root infrastructure like CSC, gram panchayat to not only raise awareness which is merely 33% as CAP 2017 report highlight, but also to redress disputes.

→ compliance as 12% penalty provided both for company & state should be enhanced & strengthened.

→ Data management of yield, notified crop and crop culting experiment.

(ii) Technology → satellite image, Drones etc for weather forecasting specially in north east.
→ Electricity and internet provision 24/7 to strengthen innovation & entrepreneurship at grass root level.

(iii) Finance - Revenue-cum-yield formula

to provide adequate compensation, which will reflect actual price.