

Pradhan Mantri Fasal Bima Yojana

Prospectus

The objective of the Scheme

Pradhan Mantri Fasal Bima Yojana (PMFBY) aims at supporting sustainable production in the agriculture sector by way of –

- a) providing financial support to farmers suffering crop loss/damage arising out of unforeseen events
- b) stabilizing the income of farmers to ensure their continuance in farming
- c) encouraging farmers to adopt innovative and modern agricultural practices
- d) ensuring the flow of credit to the agriculture sector; which will contribute to food security, crop diversification, and enhancing growth and competitiveness of the agriculture sector besides protecting farmers from production risks.

Coverage of Farmers

1. 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 in 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 Government (in case of sharecroppers/ tenant farmers).

2. Voluntary Component: The Scheme would be optional for loanee and non-loanee farmers.

Coverage of Crops

- 1) Food crops (Cereals, Millets and Pulses),
- 2) Oilseeds 3) Annual Commercial / Annual Horticultural crops

Sum Insured/ Coverage Limit

1. 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. No other calculation of Scale of Finance will be applicable. Sum Insured for the individual farmer is equal to the Scale of Finance per hectare multiplied by area of the notified crop proposed by the farmer for insurance. 'Area under cultivation' shall always be expressed in 'hectare'.

2. Sum insured for irrigated and unirrigated areas may be separate.

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