

Constraints and Suggestions of Beneficiary and Non-Beneficiary of Farmers towards Pradhan Mantri Fasal Bima Yojana in Kolar District of Karnataka

ABSTRACT

A India is one of the most climate-prone countries in the world. In the last decade, India has suffered crop losses almost every year either due to floods or drought or frost/extreme temperatures. Agriculture is the mainstay of the rural economy in India and is largely carried out by small and marginal farmers who have poor access to credit, high dependence on rainfall and majority of whom practice subsistence farming. Despite the efforts to revise the insurance scheme features under PMFBY, there are reported issues on enrollment, claim and settlement and even discontinuity. Hence it is essential to analyze the constraints and suggestions of beneficiaries and non-beneficiaries of PMFBY scheme. Hence, the study was conducted in Kolar district of Karnataka state during the year 2021-2022. All the five taluks of Kolar district were selected for the study. From each of the taluk 30 PMFBY beneficiaries and 10 non – beneficiaries were identified for the collection of data by using a simple random sampling method. Thus, the total sample was consisted of 150 beneficiaries and 50 non – beneficiaries. The results revealed that the constraints faced by the beneficiary with respect to availing benefits from PMFBY were, ‘delay in getting the claims under PMFBY’, ‘inadequate compensation under PMFBY’, ‘officials bias in loss assessment making’ and ‘insurance company do not give any reason about why eligible farmers did not receive insurance amount’ were accorded I, II and III ranks, respectively. When it comes to PMFBY non-beneficiaries, were not availing benefits of the scheme due to: ‘lack of documents in the name of the cultivar’ (I rank), ‘lack of awareness about the PMFBY’ (II rank) and ‘requires multiple visit to the department from enrollment to claim’ (III rank). Major suggestions expressed by the beneficiaries for improving PMFBY scheme are: ‘strict measures to timely payment of insurance amount’, ‘reduction on premium amount for horticulture crops’ and ‘claim disbursement before starting of the next season’ were accorded I, II and III ranks, respectively. In respect to suggestion’s expressed by non-beneficiaries for improving PMFBY scheme were: ‘creating awareness about PMFBY scheme’ (I rank), ‘creating facilitation on PMFBY scheme by giving training to the farmers’ (II rank) and ‘submission of appropriate documents to agriculture department’ (III rank).

Key words: Constraints, Suggestions, PMFBY and Insurance

INTRODUCTION

Agriculture is an important sector of the Indian Economy. Agriculture is the primary source of livelihood for about 58 per cent of India’s population. The economic development of an agrarian nation like India is incomplete without the development of agriculture. But, Indian agriculture is overwhelmed with problems like lack of technology, lack of risk mitigation

measures, lack of irrigation facilities, unpredictable weather conditions, use of low-quality seeds, pests and diseases, fluctuations in prices of agricultural products and it also largely depends on monsoon which is uncertain, commonly being late onset and early cessation. Crop losses may be at any stage prevented sowing crop loss, standing crop loss and post-harvest crop losses. One of the most effective mechanisms to mitigate such crop losses is to have a robust crop insurance system. It not only secures the farm income but also helps the farmers to initiate again production activity after a bad agricultural year (Bhende, 2005).

Crop insurance schemes have been in the country since 1972, yet they plagued with several problems such as lack of transparency in the system, non-coverage of post-harvest losses, losses due to prevented sowing, and moreover small and marginal farmers endured away from the scheme and it also has footnote of non-payment/delayed payment to farmers. Realizing these limitations, the government of India launched a new crop insurance scheme, Pradhan Mantri Fasal Bima Yojana (PMFBY) in *Kharif* 2016, by replacing all other earlier insurance schemes *viz.*, National Agriculture Insurance Scheme (NAIS) and Modified National Agricultural Insurance Scheme (MNAIS).

In the present circumstance, PMFBY is the only flagship scheme related to agricultural crop insurance. It aims at supporting sustainable production in agriculture sector by providing financial support to farmers suffering crop loss/damage arising out of unforeseen events. The scheme covers the crops such as food crops (cereals, millets and pulses), oilseeds and annual commercial/horticultural crops. It is mandatory for farmers who have taken institutional loans from banks and optional for other farmers. Hence, owing to the increasing importance of PMFBY scheme and its importance in rural areas, the present study was undertaken to elicit the farmer's constraints and seek their suggestions for the effective implementation of PMFBY.

METHODOLOGY

The study was conducted in the Kolar district of Karnataka state during the financial year 2021-2022. Kolar district was purposively chosen for the study because of the existence of diversified farming situations and one of the progressive district known for the quicker adoption of advanced technologies but they are lacking in better utilization of the PMFBY scheme in the Eastern Dry Zone-5 of Karnataka state compared to other districts of the state. From each of the taluk 30 PMFBY beneficiaries and 10 non – beneficiaries were identified for the collection of data by using a simple random sampling method. Thus, the total sample consisted of 150 beneficiaries and 50 non – beneficiaries totalling 200 in all.

RESULTS AND DISCUSSION

1. Constraints faced by PMFBY beneficiaries

Problem analysis has become an important thrust area of extension research in recent days.

The problem analysis would help to lubricate the process of diffusion of new schemes among farmers. The problems experienced by beneficiaries in availing benefits of PMFBY are discussed below:

Table 1: Constraints faced by beneficiaries in availing benefits from PMFBY

(n ₁ =150)				
Sl. No.	Statements	F	%	Rank
1.	Delay in getting the claims under PMFBY	19	12.67	I
2.	Inadequate compensation under PMFBY	18	12.00	II
3.	Officials bias in Loss assessment making	17	11.33	III
4.	Insurance company do not give any reason about why eligible farmers were not received insurance amount	17	11.33	III
5.	Banking procedures and formalities	16	10.67	IV
6.	Poor awareness about PMFBY features and procedures	13	8.67	V
7.	Compulsory for loanee farmers made difficult for small and marginal farmers	13	8.67	V
8.	Bank officials do not accept premium if there is a due in loan, because of previous year crop failure farmers couldn't able to repay the loan	13	8.67	V
9.	Complex procedure in enrollment to claim settlement	12	8.00	VI
10.	No compensation is given during even loss happened due to crop failure	12	8.00	VI

In Table 1. “Delay in getting the claims under PMFBY” with 12.67 per cent was the problem ranked I, the reason due to late payment of premium subsidy by the government to the insurance companies. “Inadequate compensation under PMFBY” with 12.00 per cent was the problem ranked II, the reason would be that beneficiaries used to get lower claim compared to the actual loss incurred by them. “Officials bias in loss assessment making” and “insurance company do not give any reason about why eligible farmers were not received insurance amount” stood with III rank with the 11.33 per cent. The reason might be that some of the officials were favoring to the particular farmers and some of the farmers were not taken into consideration while assessing the crop loss. “Banking procedures and formalities” was ranked IV with the 10.67 per cent. The reason might be that farmers were busy in farm activities and they have difficulties to follow the huge procedure and formalities of bank. Equal percentage of farmers (8.67%) expressed “poor awareness about PMFBY features and procedures”, “bank officials do not accept premium if there is a due in loan, because of previous year crop failure farmers couldn't able to repay the loan” and “compulsory for loanee farmers made difficult for small and marginal farmers” stood with V rank. The reason could be that some of them were aware of the scheme but the features of the scheme, benefits of the scheme, registration date and closure date, many of them were not known. Most of the time farmers don't get the claim amount in time to repay the loan. Two constraints namely “Complex procedure in enrollment to claim settlement”. The reason might be that the registration process of PMFBY minimum takes half an hour sometimes due to network

problem, the farmers have to wait or to come again or to make frequent visits. This makes them difficult and “no compensation is given during even loss happened due to crop failure”. The reason might be that if the crop cutting experiments were not conducted properly due to which farmers do not get the compensation for the crop failure were expressed by equal eight per cent of beneficiaries was ranking VI. These findings are in line with the results of Dhande (2017), Jyoti (2018), Hanumanth (2019) and Jamanal *et al.*, (2019).

2. Reasons for not availing benefits of PMFBY scheme by non-beneficiaries

Reason analysis has become an important to know the implementation in utilizing the scheme. The reason analysis would help to locate the bottle necks in the scheme and to resolve them for the benefit of the framers. The reasons expressed by non-beneficiaries for not availing benefits of PMFBY scheme are discussed below:

Table 2: Reasons for not availing benefits of PMFBY scheme by non-beneficiaries

(n₂=50)

Sl. No.	Statements	F	%	Rank
1.	Lack of documents in the name of the cultivar	9	18.00	I
2.	Lack of awareness about the PMFBY	8	16.00	II
3.	Requires multiple visit to the department from enrollment to claim	7	14.00	III
4.	Problem with cut-off date to fill the application and to pay the premium amount	6	12.00	IV
5.	Delay in submission of appropriate documents	6	12.00	IV
6.	High premium amount for horticulture crops	6	12.00	IV
7.	Complex procedure	5	10.00	V
8.	Farmers don't believe that they will receive the amount for their crop loss	3	6.00	VI

In table 2. “Lack of documents in the name of cultivar” was the reason ranked I with the 18.00 per cent. The reason could be that the farmers have not got the land titles converted into their names from their parents and also farmers were taking lease from others and doing farm activities. “Lack of awareness about the PMFBY” was the reason ranked II with 16.00 per cent. The reason might be that majority of the farmers were busy in their personal life and if they know also, they were not worried about PMFBY scheme because of their lack of interest towards PMFBY scheme. “Requires multiple visits to the department from enrollment to claim” with a score 14.00 per cent stood with III rank. The reason might be that farmers were lack of proper understanding of the required documents and procedures followed for enrollment to claim is not understood to the farmers. Twelve per cent of non-beneficiaries expressed the

“problem with the cut-off date to fill the application and to pay the premium amount”. This could be due to the farmers will not able to arrange premium amount within the given time. Similarly, “Delay in submission of appropriate documents”. This could be due to that many of the farmers fill out their applications but do not submit therequired documents. Hence, they were removed from the PMFBY. “High premium amount for horticulture crops”, could have been expressed by the farmer's feeling that the premium paid for the horticulture crops is high was ranked with IV. “Complex procedure” stood with V rank with the ten per cent. The reason might be that many of the farmers think that this PMFBY is a difficult procedure, sometimes they had to visit societies, departments and banks to get registration which they were not readyto do so. “Farmers don’t believe that they will receive the amount for their crop loss” was ranked VI with the 6.00 per cent. The reason might be that most of the farmers applied to PMFBY scheme earlier for their crop loss and they didn’t get the claim amount within time. So, farmers perception is if we applied for PMFBY also we will not get the amount for their crop loss and farmers think that it's a waste of time to worry about this insurance scheme. These findings are in line with the results of Nishi (2019).

3. Suggestions expressed by PMFBY beneficiaries.

Suggestion referred to an opinion about problems which can be used as a solution to overcome or minimize them. To develop the extension strategy, it is essential to seek the opinion of beneficiaries who are directly involved in taking the benefits of PMFBY. The problems experienced by them may sometimes be imaginary and sometimes due to a lack of coordination of different levels.

The beneficiaries were requested to give their valuable suggestions against difficulties experienced by them with regard to availing of PMFBY. Based on the per cent of suggestions expressed by the beneficiaries the statements were ranked and presented here under.

Table 3: Suggestions expressed by PMFBY beneficiaries for improving PMFBY scheme (n₁=150)

Sl. No.	Statements	F	%	Rank
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1.	Strict measures to timely payment of insurance amount	22	14.67	I
2.	Reduce premium amount for horticulture crops	20	13.33	II
3.	Claim should be dispersed before starting of the next season	19	12.67	III
4.	Creation of separate PMFBY cell at Block / Taluk level	19	12.67	III
5.	More announcements are required on mass media or through mobile SMS	19	12.67	III
6.	Provide insurance facilitating camps at village level	18	12.00	IV
7.	More number of trainings need to be organized on PMFBY	17	11.33	V
8.	Information should reach at the ground level through youth farmers	16	10.67	VI

It can be observed from the table 3 that the major suggestions given by beneficiaries to overcome problems are:

“Strict measures to timely payment of insurance amount” was expressed by the beneficiaries 14.67 per cent was ranked I. The reason might be that most of the farmers say that delay in payment at an appropriate time because of the official's negligence. “Reduce premium amount for horticulture crops” was expressed by the beneficiaries 13.33 per cent stood with II rank. The reason might be that farmers feel that premium amount paid for the horticulture crops is more so reduce the premium amount. Three suggestions namely “Claim should be dispersed before starting of the next season”. The reason could be that it would be monetary support to the farmers when the claim is settled on time. “Creation of separate PMFBY cell at Block / Taluk level”. The reason might be that since the PMFBY cell is present at the district level, the farmers want it to be at their nearest place because it is easy to solve their problems related to PMFBY. “More announcements are required on mass media or through mobile SMS”. The reason could be that more awareness and advertisement have to be carried in the mass media such as T.V, newspaper, in different social media platforms such that the other farmers also know about the scheme and get an advantage during the unexpected circumstances were expressed by equal 12.67 per cent of beneficiaries was ranking III. “Provide insurance facilitating camps at village level” was expressed by the beneficiaries with 12.00 per cent ranked IV. The reason may be that it will prevent the farmers to go to the taluk or district for which they feel it is difficult. “More number of trainings need to be organized on PMFBY” was the suggestion expressed by the beneficiaries with the 11.33 per cent stood V rank. It could be done through workshops, lectures, distribution of pamphlets and announcements where the farmer gets to know some more incorporated features of PMFBY. “Information should reach at the ground level through youth farmers” was expressed by the beneficiaries 10.67 per cent stood with VI rank. The reason may be that most of the youth farmers have the knowledge and they know the operating system of ICT tools so that they can easily get the information and reach the information at ground level. These findings are in line with the results of Deepa (2019) and Umme hani (2022) and Jamanal *et al.*, (2019).

4. Suggestions expressed by PMFBY non-beneficiaries

The non-beneficiaries were requested to give their valuable suggestions against difficulties experienced by them in improving the PMFBY scheme.

Table 4: Suggestions expressed by PMFBY non-beneficiaries for improving PMFBY scheme

(n₂=50)

Sl. No.	Statements	F	%	Rank
1.	Creating awareness about PMFBY scheme	13	26.00	I
2.	Creating interest on PMFBY scheme by giving training to the farmers	10	20.00	II
3.	Submission of appropriate documents to agriculture department	9	18.00	III
4.	Insurance responsibility should be given at gram panchayat level	7	14.00	IV
5.	Provide technical guidance to the farmer	6	12.00	V
6.	There should be one financial institution in each village which guide and assist the scheme	5	10.00	VI

It can be observed from table 4 that the major suggestions given by non-beneficiaries for improving the PMFBY scheme are:

“Creating awareness about PMFBY scheme” was expressed by non-beneficiaries 26.00 per cent was ranked I. The reason may be that non-beneficiaries were interested in their business activities and not much aware of the PMFBY scheme. “Creating interest on PMFBY scheme by giving training to the farmers” was expressed by non-beneficiaries 20.00 per cent was stood with II rank. The reason might be that most of the farmers feel they were not interested to participate in PMFBY scheme. “Submission of appropriate documents to agriculture department” was expressed by non-beneficiaries 18.00 per cent was ranked III. The reason might that most of the farmers were failed to submit the appropriate documents at right time due to their negligence. “Insurance responsibility should be given at gram panchayat level” was expressed by non-beneficiaries 14.00 per cent was stood with IV rank. The reason may be that farmers can participate easily under PMFBY scheme. “Provide technical guidance to the farmer” was expressed by non-beneficiaries 12.00 per cent was ranked V. The reason could be that better to give guidance to most of the farmers because they don’t know the operating system of ICT tools. “There should be one financial institution in each village which guide and assist the scheme” was expressed by non-beneficiaries with 10.00 per cent was ranked VI. The reason might be that farmers feel if they have a financial institution at the village level easy to

participate and get the benefits of PMFBY scheme. These findings are in line with the results of Umme hani (2022) and Datshan *et al.*, (2021).

CONCLUSION

The study brought out various constraints faced by the farmers related to Crop Insurance Schemes. Thus, concerned officers should approach the State Government to make sincere efforts to pay the claim before the start of next season and conduct more training and awareness programmes. Crop loss assessment should be made at the Panchayat level (Panchayat - a village council in India) by covering all the crops instead of doing it at the Hobli level. Farmers should be well informed on or before conducting the Crop Cutting Experiment because of inadequate compensation given to the farmers and concerned officials should be involved. Non-loanee farmers should also be encouraged by simplifying the online registration process and making the 'Samrakshane Portal' farmer-friendly. The insurance company should have a permanent office at the hobli/taluk level for effective planning, monitoring and handling of grievances with respect to claim settlement. Some of the various suggestions expressed by farmers relate to crop insurance schemes. Thus, the concerned officer should approach the State Government to make sincere efforts to solve their problems.

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